



Southern  
Cross  
University

# Southern Cross University Annual Report 2023



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## Acknowledgement

From its inception, Southern Cross University has operated from campuses at Lismore, in the heart of the traditional lands of the Bundjalung people, and from Coffs Harbour, situated on the traditional lands of the Gumbaynggirr people. More recently, the University expanded its major campus network to the thriving Gold Coast region, traditionally the lands of the Yugambeh people.

# Letter of Submission



18 April 2024

The Hon. Steve Whan MP  
Minister for Skills, TAFE and Tertiary Education  
GPO Box 5341  
SYDNEY NSW 2001

Dear Minister,

The Council of Southern Cross University submits the University's Annual Report of proceedings for the year ending 31 December 2023 for presentation to Parliament.

The Annual Report has been prepared in accordance with Division 7.3 of the *Government Sector Finance Act 2018* (NSW).

Yours sincerely,

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

**Sandra McPhee AM**  
Chancellor

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

**Professor Tyrone Carlin**  
Vice-Chancellor and President

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# Overview

Southern Cross University traces its lineage back to the establishment of the Lismore Teachers College in February, 1970. The Lismore Teachers College was the last to be established under the auspices of the NSW Department of Education, and operated only for a brief time before being incorporated into the Northern Rivers College of Advanced Education in 1973.

Those foundation years were heady times, clearly revealing both the need and high level of community support for the development of an institution that would deliver quality higher education, build capacity and catalyse the further development of the Northern Rivers region.

Over the decades that have since passed, the impact of higher educational institutions born of and for the distinctive regions we serve has been demonstrated in myriad ways. Dealing with natural disasters has been a constant. The unprecedented floods of 1974 tested the then-nascent College of Advanced Education, a pattern echoed through time and most recently experienced in the devastation of the even larger flood events of February 2022.

Adversity, whether evinced through flood, fire or drought, has planted a very deep imprint on the communities of Northern NSW. It is perhaps substantially because of this that the institutions that have grown up within this context have an inbuilt instinct for innovation and resilience. It should therefore be no surprise that in the earliest days of the internet revolution, Southern Cross University stood out as a pioneer in the delivery of education online.

Much more recently, the University revolutionised its approach to pedagogy, assessment and curriculum through the implementation of its unique Southern Cross Model. It represents a fresh approach combined with the same instinct to change, improve and innovate, with profoundly significant benefits to our students through enhanced engagement and, ultimately, academic success.

At its inception, the University had no substantial capability in the domain of research, a fundamental gap in its capacity to drive positive impact in the communities it serves and beyond. That has changed markedly, and as Southern Cross University looks towards its fourth decade, it does so as an institution with formidable strengths in a range of areas of vital importance, including the natural and physical sciences, social sciences, health and education.

It is this diversity of work that is lending greater and greater vibrancy to the University and providing a basis, enabled through four Research Impact Clusters, for genuinely impactful cross-disciplinary research programs. It is the instinct for partnership and innovation that is driving other notable developments, including, most recently, the development of partnerships with key school systems across Northern NSW and Southern Queensland to radically reimagine teacher professional development and initial teacher education through the TeachLab Teaching Schools program.

The University's capacity to simultaneously drive enhancements to student learning and experiences and build research capacity and quality flows very much from the clarity of its stated purpose – changing lives through revolutionary learning and research with real impact.

This, coupled with our foundational values of excellence, boldness, caring, ownership and trust-building provides a robust philosophical framework within which we conceive of and pursue our priorities and provides strength even in testing times such as the present.

All of the material that follows in this report will be substantially enlivened when read with an understanding of these foundational constructs, and the very considerable pride with which the Southern Cross University community is working towards the future.

## Purpose, Focus and Values

Southern Cross University was established and incorporated under the *Southern Cross University Act 1993 (NSW)*. The object of the University is the promotion, within the limits of the University's resources, of scholarship, research, free inquiry, the interaction of research and teaching, and academic excellence.

The University has the following principal functions for the promotion of its object:

- the provision of facilities for education and research of university standard, having particular regard to the needs of the north coast region of the State,
- the encouragement of the dissemination, advancement, development and application of knowledge informed by free inquiry,
- the provision of courses of study or instruction across a range of fields, and the carrying out of research, to meet the needs of the community,
- the participation in public discourse,
- the conferring of degrees, including those of Bachelor, Master and Doctor, and the awarding of diplomas, certificates and other awards,
- the provision of teaching and learning that engage with advanced knowledge and inquiry,
- the development of governance, procedural rules, admission policies, financial arrangements and quality assurance processes that are underpinned by the values and goals referred to in the functions set out in this subsection, and that are sufficient to ensure the integrity of the University's academic programs.

Southern Cross University provides tertiary education across the disciplines of health, education, science, engineering, humanities, social sciences, business, law, information technology, creative arts and hospitality management. With a particular focus on the Northern Rivers region of NSW and South East Queensland through our Lismore, Coffs Harbour and Gold Coast campuses, our students also study in Sydney, Melbourne, Perth, Brisbane, Hayman Island, internationally and online. More than 78,000 students have graduated from Southern Cross University since its foundation in 1994.

The University is acknowledged nationally and internationally for research leadership in areas such as catchment and water management, coral restoration and marine science, agriculture, plant genetics and geoscience.

We focus on research with impact and a contemporary learning approach that provides our students with the greatest chance of success, both at university and beyond, as they become part of the professional fabric of the communities we serve.

In 2022, the University outlined a set of institutional values in its *Strategic Plan 2030* that have, since its foundation, underpinned its purpose of providing revolutionary learning and research with real impact. These are:

- We strive for excellence
- We are bold
- We care
- We own it
- We build trust through action.

Additionally, the *Strategic Plan 2030* outlines the framework through which we realise our purpose: augmenting education and the student experience; investing in research and impact; engaging our communities and partners; investing in the development of outstanding people; creating organisational financial security; transforming our digital operations and reimagining our campuses.

## Management and Structure

The University is governed by a Council to which the University's Chief Executive Officer, the Vice-Chancellor, reports. The Council is chaired by the Chancellor and has 13 members: the Chancellor, the Vice-Chancellor, the Chair of the Academic Board, two members appointed by the Minister, five members appointed by Council, three elected staff members and one elected student member.

The Academic Board is the University's principal academic body. It is responsible for establishing and maintaining the highest standards in teaching, learning and research in the University. It is also the primary advisory committee of the Council on academic matters.

### University Council Members

#### Official Members

##### Chancellor

Ms Sandra McPhee, AM, FAICD

##### Vice-Chancellor and President

Professor Tyrone Carlin, BComm(UNSW), LLB(Hons)(Sydney), LLM(Sydney), MComm(Hons)(UNSW), PhD(Macq)

##### Chair of Academic Board

Professor Andrew Rose, BE(Environmental)(Hons)(UNSW), BSc(Mathematics)(UNSW), PhD

## Elected Members

### Elected member – non-academic staff

Ms Prue Berry, BA(Massey), JD(Bond), GradDipLegPrac(ColLaw) MTEM(Melb)

### Elected member – academic staff

Associate Professor Renaud Joannes-Boyau, PhD(ANU)

### Elected member – student

Ms Olivia Noffke

Resigned 9 November 2023

Mr Gurpreet Singh BSc(SCU), BHHS(Hons)(SCU)

From 10 November 2023

### Elected member – academic staff

Dr Lucy Shidders, BN(ACU), GradCert(CriticalCare)(Griff), MNursing(Griff), PhD(SCU)

### Council-appointed members

Dr Austin Curtin, AM, MB MD BS(Syd), FRACS

Ms Julie Granger, BA/LLB(Hons)(SCU), LLM(UNSW)

Mr Scott Noble, BBus(SCU), MAppFin(FINSIA), FCA, FFin, GAICD

### Council-appointed member – Graduate

Mr Geoffrey Stalley, BBus(UTS), MEc(Macq), GAICD, CA, CPA

### Ministerially appointed members

#### Deputy Chancellor

Mr Murray d'Almeida FAICD

Mr Jonathan Rourke, BSc(Arch)(Syd)

#### Council Secretary

Ms Belinda Atkinson, BCom(UQ), LLB(UQ), MTerEd(Mgt)(Melb)



## Executive Officers

### **Vice-Chancellor and President**

Tyrone Carlin, BComm(UNSW), LLB(Hons)(Sydney), LLM(Sydney), MComm(Hons)(UNSW), PhD(Macq)

### **Deputy Vice-Chancellor (Research and Academic Capability)**

Mary Spongberg, BA(Hons)(Sydney), PhD(Sydney)

### **Pro Vice-Chancellor (Academic Innovation)**

Erica Wilson, BAdmin(Tourism)(Hons)(JCU), GradDip(EnvStud)(Adelaide), PhD(Griff)

### **Pro Vice-Chancellor (Academic Quality)**

Thomas Roche, BA(UQ), BEd(UQ), PhD(Dresden)

### **Pro Vice-Chancellor (Research and Education Impact)**

Ben Roche, BSc(Hons)(UNSW), MEd(UTS)

### **Vice-President (Finance)**

Travis Walker, BBus(Accounting)(RMIT), MBA(LaT)

### **Vice-President (Future Students & Outreach)**

Anna-Maree Shaw, BBus(QUT), BVisArt(Griff), GradDipComm, MBA(Cranfield)

### **Vice-President (Operations)**

Allan Morris, GradDipInfoTech(Monash)

### **Vice-President (Strategy & Implementation)**

Jack Williamson, BEng (Wollongong), MBA (London Business School)

### **Vice-President (Students) and Registrar**

Brendon Nelson, GradDipMgt(UTS), MBus(UTS)

## Organisational Chart

As at 31 December 2023

<b>University Council</b>	
<b>Vice-Chancellor and President</b>	
Governance Services	HR Services
Gnibi College of Indigenous Australian Peoples	Faculty of Business, Law and Arts
Faculty of Education	Faculty of Health
Faculty of Science and Engineering	
<b>Deputy Vice-Chancellor (Research and Academic Capability)</b>	
Research Funding and Management	Graduate School
Southern Cross Analytical Research Services	University Library
<b>Pro Vice-Chancellor (Academic Innovation)</b>	
Academic Partnerships	Centre for Teaching and Learning
<b>Pro Vice-Chancellor (Research and Education Impact)</b>	
<b>Pro Vice-Chancellor (Academic Quality)</b>	
Business Intelligence and Quality	Careers and Employability
SCU College	
<b>Vice-President (Students) and Registrar</b>	
Student Experience	Student Safety and Wellbeing
Student Support	Student Administration Services
<b>Vice-President (Future Students and Outreach)</b>	
Alumni and Advancement	Student Recruitment
Marketing, Media and Communications	Sponsorship and Outreach
Southern Cross Global	
<b>Vice-President (Operations)</b>	
Campus Services	Technology Services
Property Services	
<b>Vice-President (Finance)</b>	
Financial Operations	Financial Performance
<b>Vice-President (Strategy and Implementation)</b>	

# Strategy

## Objectives and Outcomes

2023 was the first full year implementing Southern Cross University's *Strategic Plan 2030* and pursuing the University's purpose of changing lives through revolutionary learning and research with real impact.

The Strategy rests on three fundamental pillars: Education & Student Experience; Research & Impact; and Engaged Communities & Partners.

## Education & Student Experience

The successful implementation of the Southern Cross Model was a substantial achievement in 2023. The Model divides the academic year into six terms of six-weeks, with a two-week break between terms, meaning a shorter, more focused structure of study that gives students a greater sense of momentum and motivation as they achieve milestones quickly. This transformative approach to teaching and learning has yielded tangible improvements, with student success rates reaching 89 per cent completion of attempted units. This is a game-changing result for a regional University. The Model's immersive classes and flexible learning structure have redefined the student experience, fostering deeper engagement and facilitating greater academic achievement.

Implementing the Model initially represented a challenge for some students (especially those having to transition part-way through their degree or program) and staff. Pleasingly, during this transition, unit and teaching satisfaction remained stable, at 78 per cent and 84 per cent respectively. Positive growth is anticipated in 2024 as the University moves into continuous improvement of the Model's delivery.

The introduction of our First Year Adviser program enjoyed similar success and uplift in student grades and will be scaled up to include all first-year students in 2024.

A focus on student engagement and satisfaction extended to the innovative Southern Cross Model hybrid classroom. These state-of-the-art facilities aim to enhance the student experience, bridging the gap between in-person and online learning environments.

## Research & Impact

An integral part of the University's research strategy has been the establishment of Research Impact Clusters across four critical areas: Harvest to Health; ZeroWaste; Reefs and Oceans; and Catchments, Coasts, and Communities. The Research Impact Clusters foster interdisciplinary collaboration and industry engagement while addressing some of the most pressing issues at a local and global level.

2023 saw increased activity by the clusters to develop and consolidate their strategic plans as they look to maximise the impact of their research nationally and globally. Highlights of research activity in 2023 included the launch of the five-year, \$2.5 million Australian Industrial Hemp Program of Research (AIHPR) led by Southern Cross and supported by AgriFutures Australia, to explore hemp cultivation, production, and sustainability; as well as a \$3.558 million grant from the Department of Health and Aged Care to enhance Indigenous midwifery services, particularly in remote and regional Australia, by supporting our Indigenous midwifery students and research.

The University continued its important work in the Reef Restoration and Adaptation Program (RRAP) and consolidated important research partnerships in teacher education, including with the Diocese of Lismore Catholic Schools through the University's TeachLab initiative.

There was a pleasing uplift in the University's global rankings with marked improvement in the Quadrelli Symonds (QS) Rankings where the University rose more than 50 places and in the Times Higher Education (THE) World University Rankings where the University rose 80 places. Further detail about research outcomes can be found under the Summary Review of Operations section in this report.

## Community & Engagement

In 2023, the University made significant strides in community engagement and collaboration, reflecting its commitment to fostering meaningful relationships and making a positive impact in the regions it serves.

A focus of our engagement activities was a program of schools outreach and learning partnerships with schools in our campus footprints via SCU College. The University also renewed its partnerships with major events like the Byron Writers Festival and The Gold Coast Marathon which provide access to University expertise for participants as well as learning opportunities for students.

The Living Lab Northern Rivers, a University collaboration with UTS Sydney and the NSW government, emerged as a pivotal space for community engagement and collaboration. The Living Lab facilitated exhibitions, workshops, and multi-disciplinary research projects aimed at addressing the region's challenges and fostering resilience.

Additionally, the University embarked on a master planning process for the Lismore campus, with a strong emphasis on community services and partnerships, and the role the University plays in Lismore and the Northern Rivers.

## Staff and Technology

Key academic leaders were recruited in 2023, including an Executive Dean of the Faculty of Science and Engineering who will lead the development of the University's new Veterinary program and a new Executive Dean for the Faculty of Business, Law and Arts.

Several professional development programs were launched in 2023, aimed at enhancing the skills and capabilities of staff, as well as a culture of safety. These programs provided opportunities for career growth and advancement and will continue to expand in 2024, supporting the University's strategic goal of investing in its people for the long-term benefit of the organisation.

The University also embarked on the development of a comprehensive technology strategy aimed at supporting organisational goals and the further development of a contemporary, digitally enabled University. Key initiatives included the transition to cloud-based systems, advanced telephony, data dashboards to inform decision-making and an upgrade of the University's network.

# Operations and Performance

## Management and Activities

In 2023, Southern Cross University continued its recovery from the effects of both the global COVID-19 pandemic and the 2022 Northern Rivers flooding. The legacy of both events still resonates powerfully in the communities and contexts in which the University operates. The fact that campus operations have resumed a more stable cadence is a testament to the resilience and perseverance of the University community.

## Lismore Property Update

2023 saw the launch of a master planning process for our Lismore campus, around the idea of a Southern Cross Learning Precinct which will house not only a teaching, research and administrative centre for the University, but a cluster of educational and community organisations. Trinity Catholic College, Richmond River High School, The Living School and TAFE NSW, as well as the NSW Ambulance Service, continue as tenants at Lismore campus. The Lismore Master Planning Process will continue throughout 2024.

A Memorandum of Understanding with Landcom was signed in 2023 to facilitate the creation of a framework for delivery of more than 400 dwellings on University-owned land in East Lismore.

## Global

From October 2023, the international education sector saw a sharp increase in the rate of visa refusals from the Department of Home Affairs, with some markets more heavily impacted than others. The University has been impacted by this increase in refusals and continues to work with partners to ensure that its administration and student support practices meet the highest standards.

## Acquisition of EduCo

Between 2014 and 2023, Southern Cross University partnered with EduCo Sydney Branch Pty Ltd for the delivery of SCU courses at its Sydney, Melbourne and Perth campuses. On 1 December 2023, Southern Cross University wholly acquired EduCo Sydney Branch Pty Ltd via a share purchase agreement, and immediately renamed the entity SCU Ventures. SCU Ventures is a 100 per cent controlled entity of the University and continues to deliver education services at metropolitan campuses consistent with its charter and Third Party Provider Agreement with Southern Cross University.

## Enterprise Bargaining

On 23 August 2023, the Fair Work Commission approved the Southern Cross University Enterprise Agreement 2021, which became operative on 13 September 2023. However, this determination was appealed by the National Tertiary Education Union and the appeal was subsequently upheld by the Full Bench of the Commission in October. Enterprise bargaining resumed in December.

## Summary Review of Operations

### Financial Result

Southern Cross University ended 2023 with a \$4.962 million operating loss measured against total revenue of \$317 million. The operating loss may be largely attributed to the slower-than-expected return of international enrolment. Further information available in the Financial section of this report.

### Student Load

In 2023, the University taught 17,729 students, with an effective full-time student load (EFTSL) of 10,729 across its campuses at Lismore, Coffs Harbour (including the National Marine Science Centre), Gold Coast, Brisbane, Sydney, Melbourne, Perth, and Hayman Island, as well as internationally in Papua New Guinea and China, and online. This is compared to 17,350 students and 10,194 EFTSL in 2022. 13,254 people were domestic students, while 4,475 were international students in 2023.

## Research

### Research Impact Clusters

The University's four Research Impact Clusters, launched in 2022, saw a fruitful year of planning combined with significant research activity in 2023.

Highlights included:

- Funding (\$1.2 million) secured from the Department of Regional NSW to develop a scoping study and business case for a Natural Products Hub led by the University's National Centre for Naturopathic Medicine
- Hosting a Natural Products Future Forum with more than 150 industry, academic and government partners in November 2023
- Launch of a \$2.5 million national program led by Southern Cross and supported by AgriFutures Australia to enhance the capability and sustainability of the industrial hemp sector
- Hosting a Circular Economy Impact Forum with local government and industry partners in May 2023
- Signing a memorandum of understanding for research and student exchange with Sejong University, Korea, as well as similar research agreements with KLE University, DY Patil University, Patanjali University and Patanjali Research Institute in India
- Commencement of two Australian Research Council Discovery projects, one on the mapping of intertidal habitats and the other on understanding the key processes in trade cumulus cloud formation over the oceans in the Southern Hemisphere
- Deployment of a Southern Cross University research aircraft on its first field campaign in March 2023 over the Southern Great Barrier Reef supporting research into the protection of coral reefs from bleaching.

## Research Partnerships

The University has successfully built upon its 2022 partnerships, achieving a 26.13% increase in awarded research funding agreements during 2023. Key research partnerships and collaborations have secured approximately \$24 million in research funding. Notable partnerships include:

- The Commonwealth Department of Health and Ageing awarded Professor Gillian Gould from the Faculty of Health \$3,558,889 to build capacity for regional and remote Birthing on Country initiatives.
- AgriFutures Australia awarded Dr Tobias Kretzschmar from the Faculty of Science and Engineering \$2.5 million for a five-year program to research Industrial Hemp.
- The Australian Centre for International Agricultural Research (ACIAR) granted Dr Cooper Schouten from the Faculty of Science and Engineering \$1.7 million to strengthen beekeeping industries for improved production and livelihoods in Papua New Guinea and the Solomon Islands.
- The Catholic Schools Office Lismore awarded Professor David Lynch from the Faculty of Education \$1.095 million for the project 'Re-Imagining Teacher Education: Teacher Professional Learning.'
- The Grains Research and Development Corporation (GRDC) granted Dr Adam Canning from the Faculty of Science and Engineering \$1,998,557 for research on Regenerative Agriculture, focusing on understanding the intent, practices, benefits, and disadvantages.
- The Movember Foundation awarded Dr Christian Swann from the Faculty of Health \$309,057 to continue to work for the Foundation.
- The CRC for High-Performance Soils awarded Professor Terry Rose from the Faculty of Science and Engineering \$1,048,979 for a project aimed at building resilient soils through plant diversity.

## Australian Research Council Outcomes

Southern Cross University was successful in six ARC lead projects in 2023, totalling approximately \$2.9 million which is a significant increase from two successful ARC lead projects in 2022. These projects included:

Two Discovery Early Career Researcher awards for the Faculty of Science and Engineering:

- Dr Luke Jeffrey was awarded \$457,155 for 'Barking up the right trees – A microbial solution for our methane problem' (DE240100338).
- Dr Judith Rosentreter was awarded \$434,042 for 'Unravelling the pathways of methane production and oxidation in mangroves' (DE240100305).

Two Discovery Researcher Awards:

- Associate Professor Christian Swann (Faculty of Health) was awarded \$438,567 for 'Open(ing up) goals in physical activity: What works, when, and for whom?', (DP240101163).
- Professor Amy Cutter-Mackenzie-Knowles (Faculty of Education) was awarded \$581,715 for 'Advancing Child and Youth-led Climate Change Education with Country. Climate change education is in its infancy' (DP240100968).

Two Linkage projects:

- Professor Terry Rose (Faculty of Science and Engineering) was awarded \$716,260 for 'Enhancing phosphorus use efficiency in macadamia for sustainable production. Macadamia nuts are an iconic native Australian product worth \$287 million annually at the farm gate' (LP220100073).
- Associate Professor Gail Moloney from the Faculty of Health was awarded \$303,617 for 'Boosting organ donation registration in diverse communities' (LP220200287).

The University was a partner of two additional ARC grants, one Linkage Infrastructure, Equipment and Facilities grant and one Discovery grant. These included:

- \$796,206 to Professor Bronwyn Barkla; Professor Tobias Kretzschmar; Professor Kirsten Benkendorff (Faculty of Science and Engineering) for 'Super-resolution platform to accelerate biological and molecular research. This application aims to establish a new molecular analysis platform integrating a microfluid capillary electrophoresis interface directly to a mass spectrometer with advanced data scanning technology' (LE240100134) led by the University of Queensland.
- \$664,259 to Professor Wendy Boyd (Faculty of Education) for 'Attracting, preparing, and sustaining quality teachers in early education' (DP240100249) led by The University of Sydney.



## Reef Restoration and Adaptation Program

The University received \$9,592,000 in funding from the Reef Restoration and Adaptation Program, a 17 per cent increase from the previous year. This funding was for the Cooling and Shading subprogram led by Dr Daniel Harrison and the Moving Corals subprogram co-led by Distinguished Professor Peter Harrison from Southern Cross University and Dr Mark Gibbs from the Australian Institute of Marine Science. This funding was also for the University's component of the Enhanced Corals and Treatments, and Coral Aquaculture and Deployment partner projects.

## Research Publications

2023 saw an 8.3 per cent increase in the number of scholarly publications in the Elsevier SciVal database and an increase in the number of Q1 (top 25 per cent) publications from 68 per cent in 2022 to 71.5 per cent in 2023.

In 2023, 16 per cent of publications were in the top 10 per cent most cited, and 1.7 per cent of publications were in the top 1 per cent most cited. Additionally, 35 per cent of publications were in the top 10 per cent of journals, and 3 per cent were in the top 1 per cent of journals.

The University's research publications are most strongly aligned with the United Nations Sustainable Development Goals (SDGs), particularly SDG 14: Life Below Water, SDG 13: Climate Action, and SDG 3: Good Health and Well-being.

## Researcher Capability

The University's researcher development program held 34 research events and workshops in 2023, supported by Investment NSW's Boosting Business Innovation Program. Additionally, a Re-establishing Research and Publishing program – the first equity program of its kind in the sector – was successfully piloted over six months. This supported early and mid-career researchers in re-establishing their research productivity after significant career interruptions.

## Higher Degree Research

There were 51 Higher Degree Research (HDR) completions and 65 new HDR enrolments. This represented a slight increase in enrolments from 2022. Attrition in 2023 reduced significantly with only 24 students withdrawing, lapsing or being terminated in 2023 compared to 47 in 2022 and 40 in 2021.

A new initiative was launched to increase the representation of Indigenous candidates in our HDR program across the University. The initiative is two-fold. Provision of top-ups to stipends to attract high-quality candidates and allocation of additional research funding to support fieldwork and engagement with Indigenous communities.

## Southern Cross Analytical Services (SCARS)

A major initiative during 2023 was the expansion of the Carbon Capture Analysis program with the refurbishment of new laboratory and extraction facilities and the acquisition of new capital equipment. The program is now ramping up to analyse over 500 samples per week.

A new Laboratory Information Management System (LIMS) was initiated together with an improved Work Health and Safety monitoring and inspection system.

The Environmental Analysis Laboratory experienced a very large increase in commercial work in 2023. Major contributions and publicity from the Pilot Soil Monitoring and Incentive Program (PSMIP) earlier in the year facilitated a 30 per cent growth in business.

Major research capital equipment was acquired, including new stability cabinets, SEAL and OI scientific nutrient analysers, Malvern Panalytical X-ray Diffraction (XRD) system, a Simultaneous Thermal Analyser (STA), upgraded LICOR gas analysers, a BIORA Plant Quarantine facility sitting outside EAL, and a UPS and generator power backup system for EAL.

## Library

Library Services came under the executive oversight of the Deputy Vice-Chancellor (Research and Academic Capability) in August 2023 to further strengthen connections and relationships between the Library and academic portfolios.

Southern Cross University academics in the Faculty of Health collaborated with Library staff to produce the University's first original Open Textbook. [Case studies for health, research and practice in Australia and New Zealand](#) was published under the Council of Australian University Librarians Open Educational Resources Collective. Librarian Rachel Ritchie authored content in Australia's first open legal research skills textbook [Legal Research Skills: An Australian Law Guide](#) – a cross-institutional collaboration between seven Australian universities.

The University's three campus libraries hosted the [Serving Country](#) photographic exhibition in July and August. The exhibition was launched during NAIDOC week and honoured the service of Aboriginal and Torres Strait Islander peoples in Australia's armed forces.

Library staff completed a comprehensive refresh of the University's physical collections in 2023. The collection renewal process has made collection items more readily accessible, discoverable, and available to use, and ensures our collections are aligned with our research strengths and the teaching and learning requirements of the Southern Cross Model.

Library staff created student-centred resources to describe acceptable and ethical uses of generative artificial intelligence in teaching, learning and research. Resources created by our Library staff have been used and adopted by libraries and community groups in Australia and the United States.

80 journal articles by Southern Cross University authors were published under the Library's open access agreements in 2023, making our research accessible and discoverable to local and global communities and saving the University more than \$367,000 in publishing fees.

Research outputs in the University's Research Portal passed a quarter of a million downloads in 2023 and will reach one million output views in 2024. More than 1,000 new publications were added in 2023.

The Richmond River Open Access Repository was launched providing a central location for information about the river, its catchment, flooding events and social history. Funded by a VC Flood Recovery grant, the archive repository includes SCU theses, open-access research outputs, digitised items from our collections and links to open data and online reports.

## Performance Information

### Education & Student Experience

Southern Cross University grew Effective Full-Time Student Load by 5.2 per cent in 2023 to 10,730. This increase was predominantly driven by the return of international students following disruptions from COVID-19 restrictions. Pleasingly, the University saw an increase in Commonwealth Supported load (up 1.7 per cent) notwithstanding soft demand from domestic students for university places.

The implementation of the Southern Cross Model has led to a significant increase in student success rates, reaching 88.8 per cent in 2023 (versus 83.4 per cent in 2022). These results position Southern Cross University as a leader in regional education and underscore the effectiveness of the Southern Cross Model in supporting student achievement and progress.

Unit and teacher satisfaction have remained relatively constant at 78.6 per cent and 83.5 per cent, respectively. This can be attributed to several factors but of particular note was the transition of the University's largest faculty, Health, to the Southern Cross Model in 2023. The University anticipates an upturn in satisfaction as it matures the delivery of the Southern Cross Model. Faculties that transitioned to the Southern Cross Model in 2021 and 2022 already demonstrate higher satisfaction compared to previous years.

### Research & Impact

Southern Cross University has delivered further year-on-year growth in research income, with a 14 per cent increase from 2022 to 2023, reaching a total of \$28.6 million in 2023.

Driving growth in research is a strong focus on research capabilities. This includes a pipeline of new and early career researchers. In 2023, the University had a 22.7 per cent increase in higher degree research completions vs 2022. Pleasingly, there was also a 12.9 per cent increase in on-time completions. These figures demonstrate the University's dedication to fostering research excellence.

### Outstanding People

The employee engagement survey conducted in late 2023 showed a 63 per cent employee engagement score and a commendable 87 per cent belief in the University's Values. These findings have guided the University's focus and initiatives aimed at enhancing employee engagement and fostering a high-performing culture across the University. Faculties and work-units have collaborated at the local level to recognise the achievements of their people and consulted broadly through forums to further impact the positivity and productivity of teams.

# Management and Accountability

## Numbers and Remuneration of Senior Executives

Band	2023		2022	
	Female	Male	Female	Male
Band 1 (Executive)				
Band 2 (Executive)	1	1	1	4
Band 3 (Executive)	2	5	1	2
Band 4 (Executive)				
Above Band 4 (Executive)		1		1
<b>Totals</b>	<b>3</b>	<b>7</b>	<b>2</b>	<b>7</b>
	<b>10</b>		<b>9</b>	

Band	Range	Average Remuneration	
		2023 \$	2022 \$
Band 1 (Executive)	\$201,350 to \$287,200	\$0	\$0
Band 2 (Executive)	\$287,201 to \$361,300	\$321,650	\$333,380
Band 3 (Executive)	\$361,301 to \$509,250	\$403,000	\$399,300
Band 4 (Executive)	\$509,251 to \$588,250	\$0	\$0
Above Band 4 (Executive)	Over \$588,250	\$772,700	\$684,900

In 2023, 2.38% of Southern Cross University's employee related expenditure was related to senior executives, compared to 2.34% in 2022. Numbers and remuneration based on position holders' reportable remuneration at the end of the reporting year.

## Human Resources

### All Staff FTE\*

Nominal FTE	2017	2018	2019	2020	2021	2022	2023
Academic	313.2	301.0	322.4	339.8	301.3	295.3	310.9
Professional	526.5	536.5	550.3	574.5	510.9	596.1	644.6
<b>Total</b>	<b>839.7</b>	<b>837.5</b>	<b>872.7</b>	<b>914.4</b>	<b>812.3</b>	<b>891.4</b>	<b>955.4</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding

### Academic Staff

Nominal FTE	2017	2018	2019	2020	2021	2022	2023
Above Senior Lecturer	75.3	78.1	80.3	85.5	79.4	82.3	88.2
Senior Lecturer	82.8	83.2	94.3	103.0	82.8	53.7	66.5
Lecturer	123.9	114.4	119.4	111.2	103.3	128.1	123.0
Below Lecturer	31.2	25.2	28.4	40.2	35.9	31.2	33.2
<b>Total</b>	<b>313.2</b>	<b>301.0</b>	<b>322.4</b>	<b>339.8</b>	<b>301.3</b>	<b>295.3</b>	<b>310.9</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding

Above Senior Lecturer = Levels D and E (plus VC and DVC)

Senior Lecturer = Level C    Lecturer = Level B    Below Lecturer = Level A

### Professional Staff

Nominal FTE	2017	2018	2019	2020	2021	2022	2023
Non-Academic Above Level 10	15.5	14.0	15.0	14.0	15.0	18.0	24.0
HEW 10	10.0	8.5	7.6	7.0	9.0	5.0	12.0
HEW 9	12.0	9.0	9.8	14.0	13.8	22.2	22.2
HEW 8	30.2	36.2	39.9	44.0	34.6	45.9	47.2
HEW 7	92.9	93.9	85.5	95.9	86.1	96.9	104.7
HEW 6	97.6	94.9	97.2	104.2	104.5	115.1	124.0
HEW 5	129.1	140.1	139.8	143.6	116.1	135.1	144.2
HEW 4	118.2	118.9	126.5	136.0	112.1	141.9	146.8
HEW 3	12.4	19.5	13.3	12.8	14.2	14.3	16.8
HEW 2	1.0	0.5		1.0	5.5	1.7	2.6
HEW 1	7.6	1.0	15.7	2.0			
<b>Total</b>	<b>526.5</b>	<b>536.5</b>	<b>550.3</b>	<b>574.5</b>	<b>510.9</b>	<b>596.1</b>	<b>644.6</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding

Source: MIS Government Staff Cube - February 2024

## Consultants

Consultants are defined as a person or organisation engaged to provide recommendations or professional advice to assist decision-making by management. Other Professional services (non-consultancies) that do not represent independent view or relates to implementation or delivery are not required to be reported.

**Table 1: Consultancies costing less than \$50,000**

Consultancy	No.	Amount \$'000
Financial Services	1	33
Management Services	1	32
Organisation Review	8	127
Training	1	27
<b>Total Consultancies costing less than \$50,000</b>		<b>219</b>

**Table 2: Consultancies costing more than \$50,000**

Consultant Name	Description	Amount \$'000
Attura	Studylink Portal	630
ByMany Pty Ltd	Transforming Southern Cross University	367
DVE Business Solutions	Re-registration Health Check	295
DWP Australia Ltd	Gold Coast Campus Masterplan	84
Ingenuit Partners Pty Ltd	Digital Strategy	220
KMPG	International Student Application Platform	204
Lilyfield Partners Pty Ltd	Natural Products Hub Strategy & Business Case	570
Ormadale Pty Ltd	Government Relations	120
Terroir Pty Ltd	Lismore Campus Masterplan	788
<b>Total Consultancies costing more than \$50,000</b>		<b>3,278</b>

## Promotion

### Overseas Travel

The total expenditure on international travel was \$1,266,866 in 2023 (2022: \$551,715) for the purposes of research and other specific programs. This includes the cost of airfares, accommodation, meals and transport costs.

## Legal Change

### Acts and Subordinate Legislation

The Minister for Skills, TAFE and Tertiary Education administers the following legislation relating directly to Southern Cross University:

- *Southern Cross University Act 1993* (NSW)
- *Southern Cross University By-law 2005* (NSW)

There were no changes to this legislation in 2023.

## Significant Judicial Decisions Affecting the Agency or Users of its Services

In August 2023, the Fair Work Commission approved the Southern Cross University Enterprise Agreement 2021, however this was overturned on appeal in October 2023 by the Full Bench of the Commission:

- *Southern Cross University* [2023] FWCA 2691
- *National Tertiary Education Union v. Southern Cross University, Community and Public Sector Union*  
– *SPSF Group* [2023] FWCFB 200.

## Risk Management and Insurance Activities

The University continued to implement its updated Enterprise Risk Management Framework, with a focus on embedding it throughout the University. Close engagement with the Vice-Chancellor and the Executive team resulted in improvements to the understanding and description of the University's material enterprise risks.

Reporting on risks internal to the governance committees continues to improve, with ongoing refinement of the risk metrics and thresholds.

The Framework is overseen by Council's Audit and Risk Management Committee with summary reporting on the material risks and risk deep dives presented at each meeting. Cybersecurity and regulatory risk continue to be areas of focus.

The University Faculties and Colleges, as well as other portfolios and various functions, are reviewing and updating their operational risk registers to align with the Enterprise Risk Management Framework including the Risk Appetite Statement.

The University maintains a comprehensive insurance program to cover the financial impact of insurable risks. This program is renewed annually. The principal areas of cover include: property, general and products liability, professional liability, malpractice, clinical trials, cyber, corporate travel, motor vehicle, and workers' compensation. Consideration is given to the University's risk profile, including new and emerging risks and the University's exposure to such risks, when determining the limits, deductibles and classes of cover.

## Compliance with the Privacy and Personal Information Protection Act 1998 (PPIP Act)

The University's compliance and commitment to protecting personal information is underpinned by its Privacy Policy, Privacy Management Plan and Privacy Data Breach Response Process. The University continued its program of privacy awareness training to staff throughout 2023 and promoted the use of its online training module to ensure staff are aware of their responsibilities.

Advice on the application of the *Privacy and Personal Information Protection Act 1998 (NSW)* ('PPIP Act') and the *Health Records and Information Privacy Act 2002 (NSW)* was provided to staff throughout the year.

The University received no applications for internal review under Part 5 of the PPIP Act in the 2023 calendar year.

## Government Information (Public Access) Act 2009

Throughout 2023 the University continued to make information of public interest available via its website, including the University's Strategy 2030, the University's Interim Sustainability Strategy and Council Non-Confidential Minutes. The University maintained and added to its Register of Government Contracts and Policy Library.

The University's Agency Information Guide was reviewed and updated during the year.

The University received three valid access applications under the *Government Information (Public Access) Act 2009 (NSW)* (GIPA Act). One application was partly refused on the basis that the information requested was information referred to in Schedule 1 of the GIPA Act. Statistical information relating to the number and type of applications decided by the University in 2023 is provided below.

Table A: Number of applications by type of applicant and outcome\*

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	0	1	0	0	0	0	0	2

\* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.



Table B: Number of applications by type of application and outcome

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/ deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	1
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	0	1	0	0	0	0	0	1

\* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications
Application does not comply with formal requirements (section 41 of the Act)	1
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	1
Invalid applications that subsequently became valid applications	0

**Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act**

	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	1
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

\* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

**Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act**

	Number of occasions when application not successful
Responsible and effective government	1
Law enforcement and security	0
Individual rights, judicial processes and natural justice	1
Business interests of agencies and other persons	0
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

**Table F: Timeliness**

	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	1
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
<b>Total</b>	<b>1</b>

**Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)**

	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by ADT	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

**Table H: Applications for review under Part 5 of the Act (by type of applicant)**

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

**Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)**

	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

## Public Interest Disclosures (PID)

In October 2023, the *Public Interest Disclosures Act 1994* (NSW) (the PID Act 1994) was rescinded and replaced with the *Public Interest Disclosures Act 2022* (NSW). The following report relates only to the period from 1 January 2023 to 30 September 2023.

For the relevant period, the University managed public interest disclosures in accordance with its Whistleblower Policy which established an internal system for receiving, assessing and dealing with reports of wrongdoing under the PID Act 1994. The Policy was available to staff in the University's online policy library.

Further, the University's Code of Conduct provides staff with information on reporting corrupt conduct, maladministration and serious or substantial waste of public resources in accordance with the PID Act. The Code of Conduct forms part of staff members' conditions of employment and commencing staff must certify that they have read and understood the Code of Conduct.

The University's report in relation to public interest disclosures made from 1 January 2023 to 30 September 2023 is as follows:

Number of public officials who made Public Interest Disclosures (PIDs) to the University	0
Number of PIDs received by the University	0
Of PIDs received by the University, number primarily about:	0
Corrupt conduct	0
Maladministration	0
Serious and substantial waste of public money	0
Government information contravention	0
Number of PIDs finalised	0
(1) Public interest disclosures made by public officials in performing their day-to-day functions	0
(2) Public interest disclosures not covered by (1) that are made under a statutory or other legal obligation	0
All other public interest disclosures	0

## Other Information

Cost of producing this report:

Printing \$150.00

Annual Reports may be accessed at [scu.edu.au/about/leadership/publications](https://scu.edu.au/about/leadership/publications)

## Modern Slavery Act 2018 Reporting

The University is committed to the prevention of slavery and human trafficking in all its activities and to ensuring that its operations and supply chain are free from slavery and human trafficking wherever they operate.

The University publishes a Modern Slavery Statement on the Commonwealth Modern Slavery Statements Register which provides additional information about its approach to combating modern slavery.

## Supply Chain

In 2023, the University took the following steps to prevent the risk of procuring goods and services that were the product of modern slavery:

- The University identifies suppliers as at high risk of involving modern slavery based on the country and category of goods or services being supplied. All suppliers identified as high-risk are issued with a questionnaire that provides due diligence over the suppliers' supply chain, international operations, labour recruitment practices and other factors.
- Each supplier is required to provide a copy of their Modern Slavery Act Statement, where applicable.
- The University undertook an increased level of due diligence for specific projects. For example, additional questions on certifications and supply chain mapping were raised in the sourcing of products with a high risk of modern slavery such as solar panels.
- The University's purchasing templates, including agreements and purchase order terms and conditions, incorporate modern slavery clauses that detail the University's requirements relating to modern slavery and compliance with the NSW and Commonwealth modern slavery legislation.
- The University's Procurement Policy articulates the University's commitment to identifying and mitigating the risk of modern slavery.

## Vulnerability of International Students to Modern Slavery

On 23 October 2023, the Anti-slavery Commissioner notified the University that the vulnerability of international students to modern slavery was a significant issue under section 31(1)(a) of the *Modern Slavery Act 2018* (NSW).

The University acknowledges that its international students are particularly vulnerable to modern slavery. The University is committed to creating awareness of this issue within its international student cohorts and ensuring that all international students are made aware of how to report and respond to this risk. The University has taken the following actions to address this issue:

- Development and publication of a [Modern Slavery webpage](#) to consolidate information related to what modern slavery is, who is most vulnerable, and how to access support and report the crime of modern slavery should it occur.
- Orientation sessions for international students drawing attention to the risk of modern slavery and where to access the University's applicable webpage and support services.

These activities are supported by the University's broader counselling support available to all students, and international student support officers available at each of the University's regional and metropolitan campuses.

## Work Health and Safety (WHS)

The University commenced two projects (RiskWare upgrade and Safety Transformation) to enhance our compliance framework, strengthen risk identification and control, and deepen our engagement in health and safety. The Safety Transformation program was driven by the findings of the external audit in early 2023.

Encouragingly, our Riskware program showcased improved lead indicator reports. However, an increase in reported injuries is worth noting, predominantly among students.

The University created two new safety leadership groups beyond the Executive group which meet regularly to increase engagement on safety matters and develop a deeper understanding of leaders' safety obligations.

## Workforce Diversity

### Equal Employment Opportunity (EEO)

Table 1: Trends in the Representation of EEO Target Groups

EEO Group	Index							
	2016	2017	2018	2019	2020	2021	2022	2023
Women	60.7	60.0	60.7	60.5	60.7	61.5	62.6	62.7
Aboriginal people and Torres Strait Islanders	2.7	2.4	2.8	3.0	2.8	2.4	2.9	2.9
People whose first language was not English	5.0	5.5	7.5	7.6	8.4	8.8	9.7	11.0
People with a disability	4.6	4.5	4.8	4.2	3.7	3.7	3.2	3.3
People with a disability requiring work-related adjustment	0.3	0.3	0.8	0.7	0.6	0.6	4.0	0.6

Table 2: Representation of EEO Target Groups: Academic and Professional Staff

EEO Group	% of Total Staff	Award	
		Academic	Professional
Women	62.7	Academic	55.4
		Professional	66.6
Aboriginal people and Torres Strait Islanders	3	Academic	2.9
		Professional	3.1
People whose first language was not English	11	Academic	15.4
		Professional	8.7
People with a disability	3.3	Academic	5.2
		Professional	2.3
People with a disability requiring work-related adjustment	0.6	Academic	1.2
		Professional	0.3

Table 3: Trends in the distribution of EEO Target Groups

EEO Group	Benchmark or target	Index							
		2016	2017	2018	2019	2020	2021	2022	2023
Women	100%	89.08	90.66	85.46	89.26	89.40	90.91	91.78	92.07
Aboriginal people and Torres Strait Islanders	100%	86.87	85.24	86.35	80.32	77.33	80.96	89.63	87.57
People whose first language was not English	100%	92.17	92.79	84.38	95.49	91.75	93.27	93.74	97.15
People with a disability	100%	101.79	100.45	108.05	99.87	99.88	97.08	100.29	101.27
People with a disability requiring work-related adjustment	100%	104.34	104.09	94.56	89.53	97.30	96.83	85.71	117.80

A distribution index of 100 indicates that the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 means that the EEO group tends to be more concentrated at lower salary levels.

Source for Tables 1-3: Aurion HRIS database as at 31 March and excludes casuals.

## Voluntary Code of Best Practice for the Governance of Australian Universities

The University Council has adopted the Voluntary Code of Best Practice for the Governance of Australian Public Universities.

In November 2023, the University Council reviewed the University's standing against the revised Voluntary Code during 2023. The University is substantially compliant with the Voluntary Code.

## Protection of Freedom of Speech and Academic Freedom in Australian Higher Education Providers

As a place of independent learning and thought, Southern Cross University is committed to the principles of intellectual freedom, including critical and open inquiry, and the free expression of ideas and opinion.

### Policies

The University's key policy documents relating to freedom of speech and academic freedom are:

- [Code of Conduct](#)
- [Student Rights and Responsibilities Charter](#)
- [Delegations Rule](#)
- [Governance Document Rule](#)
- [Student Academic and Non-Academic Misconduct Rules](#)
- [Events and Facilities Hire Policy](#)
- [Media Policy](#)
- [Naming of University Facilities and Programs Policy](#)



## Support

The University's support for a culture committed to freedom of speech and academic freedom is demonstrated as follows:

- publishing a [Statement on Academic or Intellectual Freedom](#) on its website
- providing students with information about academic freedom and freedom of speech as part of their orientation
- retaining recognition of the rights and responsibilities of employees in relation to intellectual and academic freedom in the Southern Cross University Enterprise Agreement.

## Issues of Concern

The University is not aware of any issues of concern regarding freedom of speech and academic freedom arising during 2023. The University has not received any formal or informal complaints from its staff or students regarding freedom of speech or academic freedom.

## Survey Responses

The University has not received any feedback or comments regarding its management of freedom of speech or academic freedom on campus as part of any surveys it has undertaken. No questions specifically referring to these matters were included in any surveys conducted by the University for calendar year 2023.

# Financial Performance

The financial statements include Southern Cross University as the parent entity and the consolidated entity comprising Southern Cross University and its controlled entities Southern Cross Campus Services Limited and SCU Ventures Pty Limited.

## Review of Operations

Southern Cross University and its controlled entities reported a consolidated net loss of \$4.962m for the year ending 31 December 2023 (2022: \$6.711m). The University reported a net loss of \$4.493m (2022: \$6.761m).

Total University revenue (excluding capital grants), grew by 12.3% (\$34.2m) compared to the previous year. This was mainly a result of increase in grants and overseas students. Total expenses grew by 11.2%, driven by higher employee related expenses and consulting fees.

Net cash used in operating activities was \$1.1 million (2022: generated \$31 million). Cash and cash equivalents and Investments declined from \$177.1 million to \$165.8 million.

# Southern Cross University and its Controlled Entities

ABN 41 995 651 534

Financial Statements for the  
Year Ended 31 December 2023

## Financial Statements

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## Report by the Members of the Council

### For the Year Ended 31 December 2023

The members of the University Council present their report on the consolidated entity consisting of Southern Cross University ("the University") and the entities it controlled at the end of, or during, the year ended 31 December 2023.

#### Members

The following persons were members of University Council of Southern Cross University during the whole of the year and up to the date of this report:

	Position	Term commenced or concluded
<b>Official members</b>		
Ms Sandra McPhee AM	Chancellor	
Professor Tyrone Carlin	Vice Chancellor	
Professor Andrew Rose	Chair, Academic Board	Term concluded 31 December 2023
<b>Elected members</b>		
Dr Lucy Shinnars	Academic staff member	
Professor Renaud Joannes-Boyau	Academic staff member	
Ms Prue Berry	Non-academic staff member	
Ms Olivia Noffke	Student member	Term concluded 9 November 2023
Mr Gurpreet Singh	Student member	Term commenced 10 November 2023
<b>Council appointed members</b>		
Dr Austin Curtin AM		Term concluded 11 September 2023
Mr Geoffrey Stalley		
Ms Julie Granger		
Mr Scott Noble	Graduate member	
<b>Ministerially appointed members</b>		
Mr Jonathan Rourke		
Mr Murray d'Almeida	Deputy Chancellor	

#### Meetings of Members

For the year ended 31 December 2023, the number of meetings of the University Council and committees, as well as these meetings attended by each member were:

	Meetings of Council Committees							
	Council Meetings		Audit and Risk Management Committee		Chancellor's Committee		Finance and Investment Committee	
	A	B	A	B	A	B	A	B
Professor Andrew Rose	8	5	-	-	3	3	-	-
Dr Austin Curtin AM	4	3	2	1	-	-	-	-
Mr Geoffrey Stalley	8	7	-	-	-	-	4	3
Mr Gurpreet Singh	1	1	-	-	-	-	-	-
Mr Jonathan Rourke	8	6	4	4	-	-	4	4
Ms Julie Granger	8	6	4	4	-	-	-	-
Dr Lucy Shinnars	8	7	-	-	-	-	-	-
Mr Murray d'Almeida	8	4	4	3	3	3	4	3
Ms Olivia Noffke	6	5	-	-	-	-	-	-
Ms Prue Berry	8	8	-	-	-	-	-	-
Professor Renaud Joannes-Boyau	8	6	-	-	-	-	-	-
Ms Sandra McPhee AM	8	8	-	-	3	3	-	-
Mr Scott Noble	8	6	-	-	-	-	4	4
Professor Tyrone Carlin	8	8	-	-	3	3	4	4

## Report by the Members of the Council

### For the Year Ended 31 December 2023

#### Meetings of Council Committees

	Honorary Awards Committee		People and Culture Committee		Academic Board	
	A	B	A	B	A	B
Professor Andrew Rose	1	-	-	-	5	4
Dr Austin Curtin AM	1	1	-	-	-	-
Mr Geoffrey Stalley	-	-	8	7	-	-
Mr Gurpreet Singh	-	-	-	-	-	-
Mr Jonathan Rourke	-	-	8	7	-	-
Ms Julie Granger	-	-	8	5	-	-
Dr Lucy Shinnars	-	-	-	-	-	-
Mr Murray d'Almeida	1	1	8	4	-	-
Ms Olivia Noffke	-	-	-	-	-	-
Ms Prue Berry	-	-	-	-	-	-
Professor Renaud Joannes-Boyau	1	1	-	-	5	3
Ms Sandra McPhee AM	1	1	8	8	-	-
Mr Scott Noble	-	-	8	6	-	-
Professor Tyrone Carlin	1	1	7	6	5	4

A = Number of meetings held during the time the member held office or was a member of the committee during the year

B = Number of meetings attended

#### Principal Activities

During the year, the principal continuing activities of the University and its controlled entities consisted of:

- The provision of tertiary education to students;
- Strategic and applied research activities; and
- Supporting our communities and staff.

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

#### Review of Operations

The University and its controlled entities recorded a consolidated net loss from continuing operations of \$4.962 million for the year ended 31 December 2023, compared to \$6.711 million in 2022. Net assets as at 31 December 2023 were \$301.645 million compared to \$304.252 million as at 31 December 2022.

#### Significant Changes in the State of Affairs

On 1 December 2023, the University acquired all of the shares in Educo Sydney Branch Pty Limited (renamed SCU Ventures Pty Limited). This company is a controlled entity of the University and included in the consolidated entity.

No other significant changes in the University's state of affairs occurred during the year.

## Report by the Members of the Council For the Year Ended 31 December 2023

### Matter Subsequent to the End of the Financial Year

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

### Likely Developments and Expected Results of Operations

There are no expected developments as at the reporting date that would likely impact the expected results of the operations other than those referred to above and elsewhere in the financial reports.

### Environmental Regulation

The University is subject to, and compliant with, the following significant environmental regulations: *Environment Protection and Biodiversity Conservation Act 1999 (Cth)* and the *Protection of the Environment Operations Act 1997 (NSW)*.

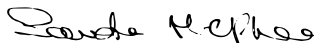
### Insurance of Officers

The University maintains insurances to protect Council members and provide indemnity for actions done in good faith on behalf of the University. Covers include General and Products Liability Protection, Professional Liability Protection, Corporate Travel insurance, Personal Accident insurance and Management Liability cover.

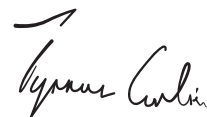
### Proceedings on Behalf of the University

There are no legal proceedings on behalf of the University or its controlled entities as at the date of this report.

This report is made in accordance with a resolution of the members of the University Council.



Ms Sandra McPhee AM  
Chancellor



Professor Tyrone Carlin  
Vice Chancellor

Dated: 18 April 2024

## Statement by the Members of Council

### For the Year Ended 31 December 2023

In accordance with a resolution of the Council of Southern Cross University and pursuant to Sections 7.6(3) and (4) of the *Government Sector Finance Act 2018*, we state that:

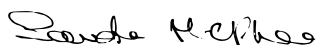
(a) The financial statements of Southern Cross University and its controlled entities presents fairly the financial position as at 31 December 2023, and the financial performance and cashflows for the financial year ended on that date;

(b) The financial statements have been prepared in accordance with Australian Accounting Standards, other mandatory professional reporting requirements, the *Australian Charities and Not-for-profits Commission Act 2012* and Regulations, the applicable requirements of the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2018* and the *Financial Statement Guidelines for Australian Higher Education Providers* for the 2023 reporting period issued by the Australian Government Department of Education;

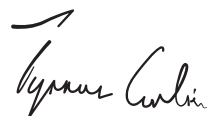
(c) The amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended and Southern Cross University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure;

(d) Southern Cross University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines 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 clause 38 (4) of the Act.

In addition, we are not aware at the date of signing these statements of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate and there are reasonable grounds to believe that Southern Cross University will be able to pay its debts as and when they fall due.



Ms Sandra McPhee AM  
Chancellor



Professor Tyrone Carlin  
Vice Chancellor

Dated: 18 April 2024

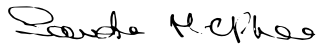


## Responsible Persons' Declaration

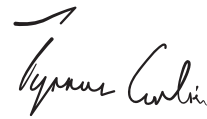
In accordance with a resolution of the Council of Southern Cross University, we state that in the responsible persons' opinion:

- 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-profit Commission Regulations 2022*.



Ms Sandra McPhee AM  
Chancellor



Professor Tyrone Carlin  
Vice Chancellor

Dated 18 April 2024

## Income Statements

### For the Year Ended 31 December 2023

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Revenue and income from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants		118,777	110,211	118,777	110,211
HELP - Australian Government payments	2.1(b)	60,828	62,009	60,828	62,009
State and local government financial assistance	2.2	4,257	2,297	4,257	2,297
HECS-HELP - Student Payments		3,689	2,885	3,689	2,885
Fees and charges	2.3	81,135	68,893	78,808	67,625
Investment income	3	8,300	3,127	8,261	3,119
Royalties, trademarks and licences	2.4	691	337	691	337
Consultancy and contract fees	2.5	16,996	14,786	16,996	14,786
Other income	2.6	22,140	16,708	20,846	15,575
Gain/(loss) on disposal of assets		57	(15)	40	(15)
Share of gain/(loss) on investments accounted for using the equity method	12	8	(5)	-	-
<b>Total revenue and income from continuing operations</b>		<b>316,878</b>	<b>281,233</b>	<b>313,193</b>	<b>278,829</b>
<b>Expenses from continuing operations</b>					
Employee related expenses	4	177,690	152,012	176,353	151,276
Depreciation and amortisation	5	15,626	16,504	15,365	16,498
Repairs and maintenance		6,591	5,535	6,226	5,380
Borrowing costs	6	2,464	1,950	2,405	1,950
Impairment of assets	7	78	3,218	65	3,195
Other expenses	8	119,391	108,725	117,272	107,291
<b>Total expenses from continuing operations</b>		<b>321,840</b>	<b>287,944</b>	<b>317,686</b>	<b>285,590</b>
<b>Net result from continuing operations</b>		<b>(4,962)</b>	<b>(6,711)</b>	<b>(4,493)</b>	<b>(6,761)</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Statements of Comprehensive Income

### For the Year Ended 31 December 2023

Note	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Net result from continuing operations</b>	<b>(4,962)</b>	<b>(6,711)</b>	<b>(4,493)</b>	<b>(6,761)</b>
<b>Items that will not be reclassified to profit or loss</b>				
Gain/(loss) on equity instruments designated at fair value through OCI	1,948	(10,925)	1,948	(10,925)
Remeasurement relating to defined benefit plans	33(e) (5)	29	(5)	29
<b>Total comprehensive income/(loss)</b>	<b>1,943</b>	<b>(10,896)</b>	<b>1,943</b>	<b>(10,896)</b>
<b>Items that will be reclassified to profit or loss</b>				
Gain/(loss) on debt instruments at fair value through OCI	412	(753)	412	(753)
<b>Total</b>	<b>412</b>	<b>(753)</b>	<b>412</b>	<b>(753)</b>
<b>Total other comprehensive income/(loss)</b>	<b>2,355</b>	<b>(11,649)</b>	<b>2,355</b>	<b>(11,649)</b>
<b>Total comprehensive loss attributable to members of Southern Cross University</b>	<b>(2,607)</b>	<b>(18,360)</b>	<b>(2,138)</b>	<b>(18,410)</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Statements of Financial Position****As At 31 December 2023**

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	28,961	57,688	27,415	56,804
Receivables and contract assets	10	43,017	39,215	43,056	39,288
Inventories		6	4	-	-
Other financial assets	11	9,602	38,036	9,602	38,036
Prepayments		8,341	4,964	7,999	4,959
<b>Total current assets</b>		<b>89,927</b>	<b>139,907</b>	<b>88,072</b>	<b>139,087</b>
<b>Non-current assets</b>					
Receivables and contract assets	10	77,191	79,622	77,191	79,622
Investments accounted for using the equity method	12	287	279	175	175
Other financial assets	11	123,668	82,053	128,690	82,053
Property, plant and equipment	13	273,134	257,760	260,455	257,729
Intangible assets	14	4,668	-	-	-
Prepayments		1,581	36	1,581	36
<b>Total non-current assets</b>		<b>480,529</b>	<b>419,750</b>	<b>468,092</b>	<b>419,615</b>
<b>Total assets</b>		<b>570,456</b>	<b>559,657</b>	<b>556,164</b>	<b>558,702</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and contract liabilities	15	37,762	38,986	36,411	38,417
Borrowings	16	4,732	4,336	2,713	4,336
Provisions	17	37,511	35,608	36,806	35,582
Other financial liabilities	18	2,522	2,537	2,522	2,537
Other liabilities	19	37,135	36,133	36,978	35,987
<b>Total current liabilities</b>		<b>119,662</b>	<b>117,600</b>	<b>115,430</b>	<b>116,859</b>
<b>Non-current liabilities</b>					
Trade and contract liabilities	15	4,220	5,728	4,220	5,728
Borrowings	16	60,468	46,224	51,095	46,224
Provisions	17	82,841	83,932	81,896	83,929
Other liabilities	19	1,620	1,921	1,620	1,921
<b>Total non-current liabilities</b>		<b>149,149</b>	<b>137,805</b>	<b>138,831</b>	<b>137,802</b>
<b>Total liabilities</b>		<b>268,811</b>	<b>255,405</b>	<b>254,261</b>	<b>254,661</b>
<b>Net assets</b>		<b>301,645</b>	<b>304,252</b>	<b>301,903</b>	<b>304,041</b>
<b>Equity</b>					
Reserves	20(a)	8,013	7,309	8,013	7,309
Retained earnings	20(b)	293,632	296,943	293,890	296,732
<b>Total equity</b>		<b>301,645</b>	<b>304,252</b>	<b>301,903</b>	<b>304,041</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statements of Changes in Equity

### For the Year Ended 31 December 2023

#### Parent

	Note	Retained Earnings \$'000	Reserves \$'000	Total \$'000
<b>Balance at 1 January 2023</b>	20	<b>296,732</b>	<b>7,309</b>	<b>304,041</b>
Net result from continuing operations	20(b)	(4,493)	-	(4,493)
Gain on revaluation of financial assets at fair value through OCI	20(a)	-	2,360	2,360
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20	1,656	(1,656)	-
Remeasurements of defined benefit plans	20(b)	(5)	-	(5)
<b>Total comprehensive income/(loss)</b>		<b>(2,842)</b>	<b>704</b>	<b>(2,138)</b>
<b>Balance at 31 December 2023</b>	20	<b>293,890</b>	<b>8,013</b>	<b>301,903</b>
<b>Balance at 1 January 2022</b>	20	303,464	18,987	322,451
Net result from continuing operations	20(b)	(6,761)	-	(6,761)
Loss on revaluation of financial assets at fair value through OCI	20(a)	-	(11,678)	(11,678)
Remeasurements of defined benefit plans	20(b)	29	-	29
<b>Total comprehensive loss</b>		<b>(6,732)</b>	<b>(11,678)</b>	<b>(18,410)</b>
<b>Balance at 31 December 2022</b>	20	<b>296,732</b>	<b>7,309</b>	<b>304,041</b>

#### Consolidated

	Note	Retained Earnings \$'000	Reserves \$'000	Total \$'000
<b>Balance at 1 January 2023</b>	20	<b>296,943</b>	<b>7,309</b>	<b>304,252</b>
Net result from continuing operations	20(b)	(4,962)	-	(4,962)
Gain on revaluation of financial assets at fair value through OCI	20(a)	-	2,360	2,360
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20	1,656	(1,656)	-
Remeasurement of defined benefit plans	20(b)	(5)	-	(5)
<b>Total comprehensive income/(loss)</b>		<b>(3,311)</b>	<b>704</b>	<b>(2,607)</b>
<b>Balance at 31 December 2023</b>		<b>293,632</b>	<b>8,013</b>	<b>301,645</b>
<b>Balance at 1 January 2022</b>	20	303,625	18,987	322,612
Net result from continuing operations	20(b)	(6,711)	-	(6,711)
Loss on revaluation of financial assets at fair value through OCI	20(a)	-	(11,678)	(11,678)
Remeasurement of defined benefit plans	20(b)	29	-	29
<b>Total comprehensive loss</b>		<b>(6,682)</b>	<b>(11,678)</b>	<b>(18,360)</b>
<b>Balance at 31 December 2022</b>		<b>296,943</b>	<b>7,309</b>	<b>304,252</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Statements of Cash Flows****For the Year Ended 31 December 2023**

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Cash flows from operating activities:</b>					
Australian Government grants	34	165,387	177,677	165,387	177,677
OS-HELP (net)		299	(89)	299	(89)
Superannuation supplementation		5,181	4,576	5,181	4,576
State Government grants		4,257	2,297	4,257	2,297
HECS-HELP - Student payments		3,689	2,885	3,689	2,885
Receipts from student fees and other customers		115,212	114,052	111,215	111,488
Interest received		2,716	1,638	2,677	1,638
Dividends & distributions received		4,650	1,262	4,650	1,262
Payments to suppliers and employees (inclusive of GST)		(307,498)	(276,861)	(303,112)	(274,893)
Interest and other costs of finance		(2,478)	(1,947)	(2,419)	(1,955)
GST recovered		7,178	6,278	7,411	6,403
Other operating inflows		276	-	-	-
<b>Net cash (used in)/provided by operating activities</b>	30	<b>(1,131)</b>	31,768	<b>(765)</b>	31,289
<b>Cash flows from investing activities:</b>					
Proceeds from sale of property, plant and equipment		455	231	433	231
Payment to acquire subsidiary (net of cash)	27	(3,808)	-	(5,022)	-
Payments to acquire property, plant and equipment (Payments for)/proceeds from financial assets		(16,204)	(7,340)	(16,141)	(7,327)
Loans to related parties		-	-	(33)	(289)
<b>Net cash used in investing activities</b>		<b>(29,435)</b>	(16,706)	<b>(30,641)</b>	(16,982)
<b>Cash flows from financing activities:</b>					
Proceeds from borrowings		3,000	2,381	3,000	2,381
Payment of principal portion of lease liabilities		(1,161)	(1,156)	(983)	(1,156)
<b>Net cash provided by financing activities</b>		<b>1,839</b>	1,225	<b>2,017</b>	1,225
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(28,727)</b>	16,287	<b>(29,389)</b>	15,532
Cash and cash equivalents at beginning of the financial year		57,688	41,401	56,804	41,272
<b>Cash and cash equivalents at the end of the financial year</b>	9	<b>28,961</b>	57,688	<b>27,415</b>	56,804

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Notes to the Financial Statements

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#### Notes to the Financial Statements

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## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 1 Summary of Material Accounting Policy Information

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below and where applicable, throughout the notes to the accounts. The policies have been consistently applied for all years reported unless otherwise stated.

The financial statements include separate statements for Southern Cross University ("the University") as the parent entity and the consolidated entity consisting of Southern Cross University and its subsidiaries.

Southern Cross University is a Higher Education Provider ("HEP") which has been established under the *Southern Cross University Act 1993*. The principal address of Southern Cross University is Military Road, Lismore NSW 2480.

##### (a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared on an accrual basis in accordance with Australian Accounting Standards (AAS) and other pronouncements of the AAS Board, the requirements of the *Higher Education Support Act 2003* (Financial Statement Guidelines), the *Government Sector Finance Act 2018* and the *Government Sector Finance Regulation 2018*, *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Charities and Not-for-profits Commission Regulations 2022*.

The University applies Tier 1 reporting requirements.

Southern Cross University is a not-for-profit entity and these statements have been prepared on that basis. The AAS include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS) and to the extent these inconsistencies are applied, these financial statements do not comply with IFRS. The main impact is on the accounting treatment relating to the offsetting of impairment losses within a class of assets.

##### ***Date of authorisation for issue***

The financial statements were authorised for issue by the members of Southern Cross University on 18 April 2024.

##### ***Historical cost convention***

These financial statements have been prepared under the historical cost convention, except for financial assets that have been measured at fair value.

##### ***Critical accounting estimates***

The preparation of financial statements in conformity with AAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Southern Cross University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

- Estimated useful life assessments of property, plant and equipment assets (note 5)
- Measurement and recognition of employee benefits provisions (note 17)
- Impairment of trade and other receivables (note 7)
- Measurement of financial assets (note 32) and liabilities
- Measurement of finance leases and the related right-of-use assets (note 13)
- Identifying and assessing the performance obligations relating to contracts with customers (note 2.7(d)).



## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 1 Summary of Material Accounting Policy Information (continued)

##### (b) Foreign currency transactions and balances

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

##### (c) Income Tax

Southern Cross University does not provide for Australian income tax as it is exempt under the provisions of Division 50 of the *Income Tax Assessment Act 1997 (ITAA)*.

##### (d) Rounding of amounts

Amounts have been rounded off to the nearest thousand dollars.

##### (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 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 statements of financial position.

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

##### (f) Comparative Amounts

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

##### (g) New Accounting Standards and Interpretations - Overview

###### Effective for the first time

The University considered the application of new and amended Accounting Standards mandatorily applicable for the first time in the current financial year. None of those new or amended Accounting Standards had any material impact on the University's current or previous financial statements.

###### Standard

AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates

AASB 2021-6 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

###### Effective date

1 January 2023

1 January 2023

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 1 Summary of Material Accounting Policy Information (continued)

##### (g) New Accounting Standards and Interpretations - Overview (continued)

###### Issued but not yet effective

The following standards have been issued but are not mandatory for 31 December 2023 reporting periods. Southern Cross University has elected not to early adopt any of these standards and is currently assessing the potential impacts. It is estimated that the adoption of these pronouncements when effective will have no material impact on future reporting periods. The new Standards and Interpretations are set out below:

Standard	Amendment	Application date*
AASB17	Insurance Contracts	1 January 2027
AASB2022-8	Amendments to Australian Accounting Standards - Insurance Contracts: Consequential Amendments	1 January 2027
AASB2022-9	Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector	1 January 2027
AASB2014-10	Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to AASB10 and AASB128	1 January 2025 (Note 2)
AASB2020-1	Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Amendments to AASB101	1 January 2024
AASB2022-5	Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback - Amendments to AASB16	1 January 2024
AASB2022-10	Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities	1 January 2024
AASB2022-6	Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants	1 January 2024
AASB2023-1	Amendments to Australian Accounting Standards - Supplier Finance Arrangements	1 January 2024

\* The application date mentioned above refers to the date when Southern Cross University would apply relevant standards, amendments and interpretations and this may not be the actual application date of the standards/amendments and interpretations.

Note 1: In December 2015, the IASB or Board postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The AASB has specified a date (because legislatively all standards need a date) but this may continue to be deferred if Southern Cross University chooses to do so.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2 Revenue and Income

Notes 2.1 to 2.6 disclose the revenue and income received during the year according to the mandatory disclosures required by the department. The disclosures as per AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-profit Entities* are included in note 2.7 and a reconciliation is included in note 2.8.

#### 2.1 Australian Government financial assistance including Australian Government loan programs (HELP)

##### (a) Commonwealth Grants Scheme and Other Grants

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Commonwealth Grants Scheme		92,785	87,992	92,785	87,992
Indigenous, Regional and Low-SES Attainment Fund		6,329	6,045	6,329	6,045
National Priorities and Industry Linkage Fund		3,458	3,329	3,458	3,329
Higher Education Disability Support Program		143	97	143	97
Indigenous Student Success Program		2,260	1,934	2,260	1,934
<b>Total Commonwealth Grant Scheme and Other Grants</b>	34(a)	<b>104,975</b>	<b>99,397</b>	<b>104,975</b>	<b>99,397</b>
<b>(b) Higher Education Loan Programs</b>					
HECS - HELP		46,229	45,043	46,229	45,043
FEE - HELP		12,971	15,399	12,971	15,399
SA-HELP		1,628	1,567	1,628	1,567
<b>Total Higher Education Loan Programs</b>	34(b)	<b>60,828</b>	<b>62,009</b>	<b>60,828</b>	<b>62,009</b>
<b>(c) EDUCATION Research</b>					
Research Training Program		4,130	3,326	4,130	3,326
Research Support Program		3,009	2,827	3,009	2,827
<b>Total EDUCATION Research Grants</b>	34(c)	<b>7,139</b>	<b>6,153</b>	<b>7,139</b>	<b>6,153</b>
<b>(d) Australian Research Council</b>					
Discovery		1,217	962	1,217	962
Linkages		1,182	557	1,182	557
<b>Total ARC</b>	34(e)	<b>2,399</b>	<b>1,519</b>	<b>2,399</b>	<b>1,519</b>

**Notes to the Financial Statements****For the Year Ended 31 December 2023****2.1 Australian Government financial assistance including Australian Government loan programs (HELP)  
(continued)****(e) Other Australian Government financial assistance**

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Non-capital</b>				
Department of Agriculture and Water Resources	1,647	1,105	1,647	1,105
Department of Education	1,323	641	1,323	641
Department of Foreign Affairs and Trade	104	209	104	209
Department of Health	709	524	709	524
Department of Social Services	248	296	248	296
Aust'n Ctr for International Agricultural Research	-	53	-	53
Other	233	314	233	314
<b>Total non-capital</b>	<b>4,264</b>	<b>3,142</b>	<b>4,264</b>	<b>3,142</b>
<b>Total other Australian Government financial assistance</b>	<b>4,264</b>	<b>3,142</b>	<b>4,264</b>	<b>3,142</b>
<b>Total Australian Government financial assistance (a+b+c+d+e)</b>	<b>179,605</b>	<b>172,220</b>	<b>179,605</b>	<b>172,220</b>

**2.2 State and local Government financial assistance**

<b>Non-capital</b>				
New South Wales	4,154	2,159	4,154	2,159
Queensland	-	71	-	71
South Australia	103	67	103	67
<b>Total Non-capital</b>	<b>4,257</b>	<b>2,297</b>	<b>4,257</b>	<b>2,297</b>
<b>Total State and Local Government financial assistance</b>	<b>4,257</b>	<b>2,297</b>	<b>4,257</b>	<b>2,297</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2.3 Fees and charges

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Course fees and charges</b>				
Fee-paying onshore overseas students	67,782	55,852	67,782	55,852
Fee-paying offshore overseas students	3,579	3,053	3,579	3,053
Continuing education	-	10	-	10
Fee-paying domestic postgraduate students	4,509	5,190	4,509	5,190
Fee-paying domestic undergraduate students	527	469	527	469
Fee-paying domestic non-award students	85	75	85	75
<b>Total course fees and charges</b>	<b>76,482</b>	<b>64,649</b>	<b>76,482</b>	<b>64,649</b>
<b>Other non-course fees and charges</b>				
Student services and amenities fees from students	1,290	1,134	1,290	1,134
Other non-course fees and charges	3,363	3,110	1,036	1,842
<b>Total other non-course fees and charges</b>	<b>4,653</b>	<b>4,244</b>	<b>2,326</b>	<b>2,976</b>
<b>Total fees and charges</b>	<b>81,135</b>	<b>68,893</b>	<b>78,808</b>	<b>67,625</b>
<b>2.4 Royalties, trademarks and licences</b>				
Royalties	31	12	31	12
License fees	660	325	660	325
<b>Total royalties, trademarks and licences</b>	<b>691</b>	<b>337</b>	<b>691</b>	<b>337</b>
<b>2.5 Consultancy and contract fees</b>				
Consultancy	5,944	5,626	5,944	5,626
Contract research	11,052	9,160	11,052	9,160
<b>Total consultancy and contract fees</b>	<b>16,996</b>	<b>14,786</b>	<b>16,996</b>	<b>14,786</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2.6 Other income

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Donations and bequests	132	462	132	462
Scholarships and prizes	352	307	352	307
Sales and memberships	1,810	1,547	146	146
Rental and cost recovery charges	6,393	4,649	6,763	4,917
Insurance and other proceeds	3,945	2,129	3,945	2,129
Laboratory services	8,394	6,566	8,394	6,566
Other revenue	1,114	1,048	1,114	1,048
<b>Total other income</b>	<b>22,140</b>	<b>16,708</b>	<b>20,846</b>	<b>15,575</b>

#### 2.7 Revenue and income from continuing operations

##### Basis for disaggregation

**Sources of funding:** the University receives funds from Australian Government as well as State and Local Governments to assist with education programs across a wide range of disciplines, and at different education qualification levels. Apart from the sources received from Government, the University also receives funds and fees from private organisations or individuals that are for the delivery of different programs by the University.

**Revenue and income streams:** the streams are distinguishing the different activities performed by the University as well as acknowledge the different type of users of the programs and services provided:

- i. Education: Southern Cross University has domestic and overseas students enrolled in a variety of programs for different qualification levels. Whilst, the number of domestic students is affected by national economic factors such as interest rates or unemployment, the overseas students are impacted by the changes in a range of environmental issues including: economic, geopolitical, international and domestic competition.
- ii. Research: Southern Cross University performs research activities in different fields such as health, engineering, education and science. The University enters into many different types of research agreements with different counterparties, such as with private sector customers and Government agencies that award research grants. Each grant agreement needs to be assessed as to whether it is an enforceable arrangement and contains sufficiently specific promises to transfer outputs from the research to the customer (or at the direction of the customer). Judgement is required in making this assessment. The University has concluded that some research agreements represent a contract with a customer whereas other research grants are recognised as income when the University obtains control of the research funds.
- iii. Non-course fees and charges: these correspond to services provided by the University such as student amenities and other fees and charges.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2.7 Revenue and income from continuing operations (continued)

##### (a) Disaggregation

The University derives revenue and income from:

	Consolidated						2023	
	Higher Education Loan Program ('HELP') \$'000	Student fees and charges \$'000	Australian Government financial assistance \$'000	State and Local Government financial assistance \$'000	Commercial arrangements \$'000	Donations, Scholarships & bequests \$'000	Total Revenue from contracts with customers \$'000	Total income of not-for-profit entities \$'000
<b>Revenue and Income Streams</b>								
<b>Course fees and charges</b>								
Domestic students undergraduate	48,249	4,302	-	-	-	-	52,551	-
Onshore overseas students undergraduate	-	27,597	-	-	-	-	27,597	-
Offshore overseas students undergraduate	-	3,091	-	-	-	-	3,091	-
Domestic students postgraduate	12,579	4,509	-	-	-	-	17,088	-
Onshore overseas students postgraduate	-	40,185	-	-	-	-	40,185	-
Offshore overseas students postgraduate	-	488	-	-	-	-	488	-
<b>Total course fees and charges</b>	<b>60,828</b>	<b>80,172</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141,000</b>	<b>-</b>
<b>Research income</b>	-	-	13,802	4,257	16,374	-	34,433	-
<b>Recurrent government grants</b>	-	-	104,975	-	-	-	-	104,975
<b>Non-course fees and charges #1</b>	-	2,059	-	-	-	-	2,059	-
<b>Royalties &amp; licences</b>	-	-	-	-	691	-	691	-
<b>Other #2</b>	-	-	-	-	19,778	484	19,295	967
<b>Total revenue from contracts with customers</b>	<b>60,828</b>	<b>82,231</b>	<b>13,802</b>	<b>4,257</b>	<b>36,360</b>	<b>-</b>	<b>197,478</b>	<b>105,942</b>
<b>Total income of not-for-profit</b>	-	-	104,975	-	483	484	-	105,942
<b>Total revenue and income</b>	<b>60,828</b>	<b>82,231</b>	<b>118,777</b>	<b>4,257</b>	<b>36,843</b>	<b>484</b>	<b>197,478</b>	<b>105,942</b>

#1 This does not include lease income in the scope of AASB 16 in Notes 2.3 and 2.6

#2 Excludes investment income which is separately disclosed in Note 3

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2.7 Revenue and income from continuing operations (continued)

##### (a) Disaggregation (continued)

	Consolidated						2022	
	Higher Education Loan Program ('HELP') and charges \$'000	Student fees and charges \$'000	Australian Government financial assistance \$'000	State and Local Government financial assistance \$'000	Commercial arrangements \$'000	Donations, scholarships & bequests \$'000	Total Revenue from contracts with customers \$'000	Total income of not-for-profit entities \$'000
<b>Revenue and Income Streams</b>								
<b>Course fees and charges</b>								
Domestic students undergraduate	49,959	3,429	-	-	-	-	53,388	-
Onshore overseas students undergraduate	-	32,396	-	-	-	-	32,396	-
Offshore overseas students undergraduate	-	2,282	-	-	-	-	2,282	-
Domestic students postgraduate	12,050	5,190	-	-	-	-	17,240	-
Onshore overseas students postgraduate	-	23,457	-	-	-	-	23,457	-
Offshore overseas students postgraduate	-	771	-	-	-	-	771	-
Continuing education and executive programs	-	10	-	-	-	-	10	-
<b>Total course fees and charges</b>	<b>62,009</b>	<b>67,535</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>129,544</b>	<b>-</b>
<b>Research income</b>								
	-	-	10,814	2,297	14,457	-	27,568	-
<b>Recurrent government grants</b>								
	-	-	99,398	-	-	-	-	99,398
<b>Non-course fees and charges #1</b>								
	-	1,564	-	-	-	-	1,564	-
<b>Royalties &amp; licences</b>								
	-	-	-	-	337	-	337	-
<b>Other #2</b>								
	-	-	-	-	14,669	769	14,496	942
<b>Total revenue from contracts with customers</b>	<b>62,009</b>	<b>69,099</b>	<b>10,814</b>	<b>2,297</b>	<b>29,290</b>	<b>-</b>	<b>173,509</b>	<b>-</b>
<b>Total income of not-for-profit</b>								
	-	-	99,398	-	173	769	100,340	100,340
<b>Total revenue and income</b>	<b>62,009</b>	<b>69,099</b>	<b>110,212</b>	<b>2,297</b>	<b>29,463</b>	<b>769</b>	<b>173,509</b>	<b>100,340</b>

#1 This does not include lease income in the scope of AASB 16 in Notes 2.3 and 2.6

#2 Excludes investment income which is separately disclosed in Note 3



## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2.7 Revenue and income from continuing operations (continued)

##### Revenue from contracts with customers

##### (b) Accounting policies and significant accounting judgements and estimates

- **Course fees and charges**

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

The revenue is recognised over time as the University provides tuition services. When the courses or trainings have been paid in advanced by students or the University has received the government funding in advance (e.g. before starting the academic period) the University recognises a contract liability until the services are delivered. 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.

- **Research**

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction.

The following specific research revenue recognition criteria have been applied:

- Funding received from Australian Research Council “ARC” is recognised over time as the research activities are performed.
- Funding received from the Department of Education: The University received funding in relation to the Research Training Program (“RTP”) and Research Support Program (“RSP”) – recognised immediately when the University has the contractual right to receive the grant.
- Funding received from non-government entities is recognised over time as the University satisfies a performance obligation by transferring a promised good or service.

The research grants that are considered within the scope of AASB 15 meet the enforceability criteria due to the existence of refund clauses in the agreements with the grantor and the promises to transfer good or services to the customer (or on behalf of the customer) are sufficiently specific as the University has the obligation to provide:

- Results of the research
- Publishing research data and results on an ongoing basis in an openly accessible repository as requested by the grantor
- Intellectual property

Depending on the nature of the promise, the University either recognises revenue at a point in the time when the promise is delivered (e.g. when the comprehensive academic paper is published) or recognises revenue over time as the service is performed (e.g. as the grantor obtains control or otherwise as the results of the research are made available to authorised third parties).

- **Non-course fees and charges**

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2.7 Revenue and income from continuing operations (continued)

##### (b) Accounting policies and significant accounting judgements and estimates (continued)

- **Other**

Other revenue that is within the scope of AASB 15 mainly relates to laboratory testing services, memberships and recoveries. Revenue is recognised at a point in time when the service has been delivered.

- **Royalties, trademarks and licences**

Royalties, trademarks and licences that are within the scope of AASB 15 mainly relate to enforceable agreements relating to licencing courses and the University's accommodation facilities. Revenue is recognised over the period of the licence.

##### (c) Unsatisfied performance obligations

Remaining performance obligations represent services Southern Cross University has promised to provide to customers under the research and education service agreements which are satisfied as the goods or services are provided over the contract term. In determining the transaction price allocated to the remaining performance obligations in Southern Cross University's contracts with customers, the University has used the input method.

For customer contracts with terms of one year or less, or where revenue is recognised using the 'right to invoice' method of recognising revenue, as permitted under AASB 15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations. Further, the amounts disclosed below do not include variable consideration which has been constrained.

These unsatisfied performance obligations are expected to be satisfied within the following periods:

	Within 1 year \$'000	From 1 to 5 years \$'000	Total \$'000
<b>Consolidated</b>			
Grants and research services	16,017	4,023	20,040
Student tuition	531	-	531
Other	716	198	914
<b>Total</b>	<b>17,264</b>	<b>4,221</b>	<b>21,485</b>
<b>Parent</b>			
Grants and research services	16,017	4,023	20,040
Student tuition	531	-	531
Other	610	198	808
<b>Total</b>	<b>17,158</b>	<b>4,221</b>	<b>21,379</b>

##### (d) Assets and liabilities related to contracts with customers

- **Contract assets**

The contract assets are associated with the University's right to consideration for work completed but not billed at the reporting date. Any impairment associated with the contract assets is disclosed in Note 10 Receivables and contract assets.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2.7 Revenue and income from continuing operations (continued)

##### (d) Assets and liabilities related to contracts with customers (continued)

###### Accounting Policy

While a receivable is the University's right to consideration that is unconditional, a contract asset is the University's right to consideration in exchange for goods or services that the University has transferred to the customer when that right is conditioned on something other than the passage of time (e.g, HEP's future performance).

- **Contract liabilities**

The contract liabilities primarily relate to the advance consideration received from customers for contracts, for which revenue is recognised over time.

###### Accounting Policy

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

Contract liabilities (deferred income) differ from the amounts disclosed in note 19 Other liabilities.

#### 2.8 Reconciliation of revenue and income

The following table reconciles the amounts disclosed in notes 2.1 to 2.6 which contain the mandatory disclosures required by the department and the disclosures provided in note 2.7 as per AASB 15 and AASB 1058:

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Total Australian Government financial assistance including Australian Government loan programs (HELP)	2.1	179,605	172,220	179,605	172,220
Total HECS-HELP - student payments		3,689	2,885	3,689	2,885
Total State and Local Government financial assistance	2.2	4,257	2,297	4,257	2,297
Total Fees and charges *		78,564	66,205	78,541	66,214
Total Royalties, trademarks and licences	2.4	691	337	691	337
Total Consultancy and contract fees	2.5	16,996	14,786	16,996	14,786
Total Other revenue and income *		19,641	15,119	18,372	13,998
<b>Total</b>		<b>303,443</b>	<b>273,849</b>	<b>302,151</b>	<b>272,737</b>
Total Revenue from contracts with customers as per AASB15	2.7	197,478	173,509	196,209	172,397
Total Income of not-for-profit entity as per AASB1058	2.7	105,942	100,340	105,942	100,340
<b>Total Revenue and Income from continuing operations</b>		<b>303,420</b>	<b>273,849</b>	<b>302,151</b>	<b>272,737</b>

\* This does not include lease income in the scope of AASB 16 in Notes 2.3 and 2.6.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 3 Investment income

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Interest</b>				
Amortised cost	2,617	1,140	2,578	1,132
Other financial instruments at fair value through OCI	1,408	686	1,408	686
<b>Total interest</b>	<b>4,025</b>	<b>1,826</b>	<b>3,986</b>	<b>1,818</b>
<b>Distributions</b>				
Equity instruments designated at fair value through OCI	1,495	904	1,495	904
Other financial instruments at fair value through profit or loss	1,836	526	1,836	526
<b>Total distributions</b>	<b>3,331</b>	<b>1,430</b>	<b>3,331</b>	<b>1,430</b>
<b>Net fair value gains/(losses)</b>				
Financial assets designated at fair value through profit or loss	944	(129)	944	(129)
<b>Total net fair value gains/(losses)</b>	<b>944</b>	<b>(129)</b>	<b>944</b>	<b>(129)</b>
<b>Total investment income</b>	<b>8,300</b>	<b>3,127</b>	<b>8,261</b>	<b>3,119</b>

Interest revenue is recognised as it is earned. Dividends and distributions are recognised when the dividend or distribution is declared.

#### 4 Employee related expenses

<b>Academic</b>				
Salaries	61,405	55,241	61,360	55,241
Contributions to funded superannuation schemes	9,566	8,517	9,561	8,517
Payroll tax	4,238	3,416	4,231	3,416
Worker's compensation	410	326	410	326
Long service leave	1,444	217	1,444	217
Annual leave	3,559	3,046	3,559	3,046
Other	533	541	533	541
<b>Total academic</b>	<b>81,155</b>	<b>71,304</b>	<b>81,098</b>	<b>71,304</b>
<b>Non-academic</b>				
Salaries	70,208	60,683	69,150	60,039
Contributions to funded superannuation schemes	12,055	10,512	11,939	10,459
Payroll tax	4,809	3,557	4,738	3,518
Worker's compensation	478	333	474	335
Long service leave	2,271	82	2,263	88
Annual leave	5,250	4,346	5,227	4,338
Other	1,464	1,195	1,464	1,195
<b>Total non-academic</b>	<b>96,535</b>	<b>80,708</b>	<b>95,255</b>	<b>79,972</b>
<b>Total employee related expenses</b>	<b>177,690</b>	<b>152,012</b>	<b>176,353</b>	<b>151,276</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 4 Employee related expenses (continued)

Contributions to the defined contribution section of Southern Cross University's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable. Past service costs are recognised in profit or loss immediately.

Refer to note 17 for accounting policies on employee benefits and note 33 for retirement benefit obligations.

#### 5 Depreciation and amortisation

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Depreciation</b>				
Buildings	7,294	7,460	7,294	7,460
Infrastructure	953	1,242	953	1,242
Plant and equipment	4,986	5,793	4,950	5,787
Land (Right-of-use)	1,183	1,165	1,183	1,165
Buildings (Right-of-use)	877	663	662	663
Equipment (Right-of-use)	263	121	263	121
Leasehold improvements	70	60	60	60
<b>Total depreciation</b>	<b>15,626</b>	<b>16,504</b>	<b>15,365</b>	<b>16,498</b>

Land (excluding right-of-use assets), works of art and rare books are not depreciated. Depreciation on the other classes of assets is calculated using the straight-line method over their estimated useful lives. The useful lives of asset classes are as follows:

Depreciable assets	2023	2022
	Useful Lives (Years)	Useful Lives (Years)
Buildings	10-60	10-60
Plant and equipment	2-30	2-30
Leasehold improvements	5-10	5
Infrastructure	7-70	7-70

Asset residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the asset. The useful lives of right-of-use assets by class is as follows:

	Useful Lives	Useful Lives
	(Years)	(Years)
Land	29	29
Buildings	5-10	5-10
Equipment	3-5	3-5

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 6 Borrowing costs

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Interest expense on financial liabilities at amortised cost		559	253	559	253
Interest expense on lease liabilities		1,905	1,697	1,846	1,697
<b>Total borrowing costs expensed</b>		<b>2,464</b>	<b>1,950</b>	<b>2,405</b>	<b>1,950</b>

#### Accounting Policy

Borrowing costs incurred for the construction of any qualifying asset are expensed in the period in which they are incurred regardless of how the borrowings are applied.

Finance charges in respect of leases are included in the definition of borrowing costs. For finance charges on lease liabilities, refer to note 16.1 which details the policy for lease accounting where Southern Cross University is the lessee.

#### 7 Impairment of assets

##### Impairment losses - Financial assets

Trade receivables and contract assets	10,30	877	1,365	864	1,342
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##### Impairment losses - Non-financial assets

Buildings (reversal)/impairment		(112)	838	(112)	838
Infrastructure (reversal)/impairment		(687)	1,015	(687)	1,015
<b>Total impairment of assets</b>		<b>78</b>	<b>3,218</b>	<b>65</b>	<b>3,195</b>

#### Accounting Policy

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Many assets of the Southern Cross University that are not held primarily for their ability to generate net cash inflows are typically specialised assets held for continuing use of their service capacity and they are rarely sold. The recoverable amount of such assets is expected to be materially the same as fair value, determined under AASB 13, with the consequence that AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138.

For further information on accounting policies of impairment of financial assets, refer to Note 10 and Note 11.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 8 Other expenses

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Advertising, marketing and promotional expenses	4,880	6,865	4,873	6,865
Audit fees, bank charges, insurance & taxes	3,263	2,630	3,176	2,562
Books, printing, stationery and subscriptions	3,834	4,043	3,832	4,041
Consulting and professional fees	30,178	21,243	29,942	21,226
External education services	23,056	27,738	23,466	27,738
Grants & contributions	873	416	873	416
Leased asset charges	1,996	2,456	1,956	2,456
Non-capitalised equipment	3,164	2,744	3,143	2,722
Property and facility costs	8,610	8,552	7,278	7,707
Scholarships, grants and prizes	15,820	12,343	15,712	12,343
Software expenses	10,839	8,983	10,770	8,977
Telecommunications	783	855	728	806
Travel, entertainment and staff development	5,575	4,003	5,604	4,013
Other expenses	6,520	5,854	5,919	5,419
<b>Total other expenses</b>	<b>119,391</b>	<b>108,725</b>	<b>117,272</b>	<b>107,291</b>

#### Accounting Policy

Lease payments relating to short term or low value leases are classified as leased asset charges. Refer to note 16.

#### 9 Cash and cash equivalents

Cash at bank and on hand	7,541	6,855	5,995	5,971
Short term deposits at call	21,420	50,833	21,420	50,833
<b>Total cash and cash equivalents in the statement of financial position and cashflows</b>	<b>28,961</b>	<b>57,688</b>	<b>27,415</b>	<b>56,804</b>

#### Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, bank overdrafts and other short term highly liquid investments with original maturities with 90 days from date of purchase that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statements of cash flows.

Cash at bank earns floating interest rates between 0.00% and 4.15% (2022: 0.00% and 2.90%). Short term deposits are interest bearing at floating rates between 2.00% and 5.35% (2022: 0.05% and 3.28%). As at 31 December 2023, the amount of cash and cash equivalents held by the University that was held under trust, was \$626,207 (2022: \$3,675,379).

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 10 Receivables and contract assets

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current</b>					
Trade receivables		6,029	6,720	6,014	6,647
Student fees receivable		4,579	4,765	4,482	4,595
Less: Allowance for expected credit losses		(2,982)	(3,251)	(2,943)	(3,225)
		<b>7,626</b>	8,234	<b>7,553</b>	8,017
Deferred government benefit for superannuation	33(d)	5,908	4,776	5,908	4,776
Contract assets		3,544	1,167	3,544	1,167
Related party receivables	25(e),(f)	16	16	338	305
OS-HELP Receivable		102	102	102	102
Accrued income and other receivables		25,821	24,920	25,611	24,921
<b>Total current receivables and contract assets</b>		<b>43,017</b>	39,215	<b>43,056</b>	39,288
<b>Non-current</b>					
Deferred government benefit for superannuation	33(d)	77,191	79,622	77,191	79,622
<b>Total non-current receivables</b>		<b>77,191</b>	79,622	<b>77,191</b>	79,622
<b>Total receivables and contract assets</b>		<b>120,208</b>	118,837	<b>120,247</b>	118,910

A receivable represents the University's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refer to note 11 for a detailed accounting policy for financial assets.

Other receivables includes a franking credit receivable of \$22.76 million (2022: \$22.76 million) relating to franking credits receivable on the fully franked in specie dividend of IDP Education Limited (IDP) shares as part of the wind up of the investment in Education Australia Limited (EAL). The University recognised this amount as it considered that the franking credit tax offsets are refundable under Division 67 of the *Income Tax Assessment Act 1997* (ITAA97). The University has sought legal advice on this matter which confirmed it has a valid claim.

The ATO rejected the University's claim for the refund of the franking credits under section 207-112 of the ITAA97. The University has received legal advice supporting the University's view that it is entitled to receive the franking credits refund. At the date of this report, the University has formally objected to the Tax Assessment issued by the ATO.

The University has exercised significant judgement in not derecognising the franking credit receivable at 31 December 2023 following the ATO's rejection of the claim submitted and the potential uncertainty of recoverability. The significant judgement is underpinned by the University's ongoing assessment of the high probability of the amount being recovered. Significant judgement has also been exercised in the University's assessment of the classification of the franking credit receivable as current. As a result of the uncertainty of the outcome of the ATO's objection process, the University has concluded it's not possible to predict the timing of the refund due to the University, and therefore the receivable has continued to be recognised as a current asset. Should the objection lodged with the ATO be dismissed it's likely that the recoverability of the receivable will extend beyond 12 months.



## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 10 Receivables and contract assets (continued)

##### Contract assets

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Contract assets - current	3,544	1,167	3,544	1,167
<b>Total contract assets</b>	<b>3,544</b>	<b>1,167</b>	<b>3,544</b>	<b>1,167</b>

The contract assets are associated with the University's right to consideration for services transferred to customers not yet billed.

Set out below is the movement in the allowance for expected credit losses of receivables and contract assets:

At 1 January	3,251	4,204	3,225	5,316
Provision for expected credit losses	875	1,348	864	1,342
Receivables written off	(1,144)	(2,301)	(1,146)	(3,433)
<b>At 31 December</b>	<b>2,982</b>	<b>3,251</b>	<b>2,943</b>	<b>3,225</b>

The information about the credit exposures are disclosed in note 31 Financial risk management.

##### Accounting policy

##### Classification and measurement

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. At initial recognition trade receivables are measured at their transaction price and subsequently these are classified and measured as debt instruments at amortised cost. Trade receivables are non-interest bearing and generally on terms of 30 days.

##### Impairment

For trade receivables and contract assets, the University applies a simplified approach in calculating expected credit losses ("ECLs"). Therefore, the University does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The University 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.

While a receivable is the University's right to consideration that is unconditional, a contract asset is the University's right to consideration in exchange for goods or services that the University has transferred to the customer when that right is conditioned on something (e.g. a report) other than the passage of time (e.g. the University's future performance).

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 11 Other financial assets

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current</b>					
Other financial assets at amortised cost		-	11,000	-	11,000
Other financial assets at fair value through profit or loss		4,833	17,811	4,833	17,811
Investments in equity instruments designated at fair value through other comprehensive income		4,769	9,225	4,769	9,225
<b>Total current other financial assets</b>		<b>9,602</b>	<b>38,036</b>	<b>9,602</b>	<b>38,036</b>
<b>Non-current</b>					
Other financial assets at fair value through other comprehensive income		22,677	22,265	22,677	22,265
Other financial assets at fair value through profit or loss		45,898	17,125	45,898	17,125
Investments in equity instruments designated at fair value through other comprehensive income		55,093	42,663	55,093	42,663
Investment in subsidiaries	27	-	-	5,022	-
<b>Total non-current other financial assets</b>		<b>123,668</b>	<b>82,053</b>	<b>128,690</b>	<b>82,053</b>
<b>Total other financial assets</b>		<b>133,270</b>	<b>120,089</b>	<b>138,292</b>	<b>120,089</b>

#### Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the University's business model for managing them.

For the purpose of subsequent measurement, financial assets are classified as follows:

##### (a) Financial assets at amortised cost

These financial assets are held to for the objective of collecting contractual cash inflows on specific dates 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. Where such assets are reclassified, their fair value at the reclassification date becomes their new gross carrying amount. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### (b) Financial assets at fair value through other comprehensive income

The University measure debt instruments at fair value through OCI if the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling financial assets and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income and any impairment loss is recognised in the income statement with fair value changes recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is recycled to the profit or loss.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 11 Other financial assets (continued)

##### (c) Financial assets at fair value through profit or loss

Financial assets with cashflows that are not solely payments of principal and interest or which do not meet the objective of the University's business model for managing financial assets, or are not held to collect contractual cash flows, are measured at fair value through profit or loss.

Financial assets at fair value through profit or loss principally comprise investments held in managed funds and hybrid debt instruments. They are presented as non-current assets unless there is an intention to dispose of the investment within 12 months of the reporting date. Such assets are initially recognised at fair value, with subsequent increases or decreases in fair value being recognised in the income statement (refer to Note 3 Investment income). Transaction costs incurred in the acquisition of financial assets at fair value through profit or loss are recognised as expenses in net profit in the period in which they are incurred.

##### (d) Investment in equity instruments designated at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (OCI) comprise principally of the University's investments in equity not held for trading. The University has irrevocably elected to classify such assets under this category on an instrument-by-instrument basis. These assets are initially recognised at fair value, with subsequent increases or decreases in fair value recognised in OCI. Gains and losses on these financial assets are never recycled to the income statement. Dividends are recognised in the income statement, unless it's a return of investment, in which case, such gains are recorded in OCI. These equity instruments are not subject to impairment assessment.

##### (e) Investment in subsidiaries

Investments in subsidiaries are carried at the lower of cost and recoverable amount. Refer to Notes 26 and 27 for further details.

##### (f) Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the University's consolidated statements of financial position) when the rights to receive cash flows from the asset have expired or when the University has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the University has transferred substantially all the risks and rewards of the asset, or (b) the University has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 12 Investments accounted for using the equity method

##### Associates

Name of Entity	Place of business	Measurement method	Quoted fair value \$		Ownership Interest %	
			2023	2022	2023	2022
Coffs Harbour Technology Park Ltd	Coffs Harbour, Australia	At Cost	175	175	33.33	33.33

Associates are all entities over which the University has significant influence but not control. Investments in associates are accounted for in the parent entity financial statements using the cost method, and in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost.

The University's share of its associates' post acquisition profits or losses is recognised in the income statements, and its share of post acquisition movements in reserves is recognised in reserves. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's income statements, while in the consolidated financial statements they reduce the carrying amount of the investment.

Gains or losses resulting from the contribution of non-monetary assets in exchange for an equity interest are accounted for in the same method. When the University's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the University does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 13 Property, plant and equipment

Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure improvements \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>At 1 January 2022</b>										
At cost	8,899	263,173	76,614	34,073	2,374	8,828	4,407	398,368	40,501	438,869
Accumulated depreciation	-	(87,580)	(52,357)	(10,632)	(138)	(8,028)	-	(158,735)	(8,779)	(167,514)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)	-	(2,058)
<b>Net book amount</b>	<b>8,899</b>	<b>175,481</b>	<b>24,257</b>	<b>22,178</b>	<b>2,236</b>	<b>117</b>	<b>4,407</b>	<b>237,575</b>	<b>31,722</b>	<b>269,297</b>
<b>Year ended 31 December 2022</b>										
Opening net book amount	8,899	175,481	24,257	22,178	2,236	117	4,407	237,575	31,722	269,297
Additions	-	-	-	-	-	-	6,593	6,593	436	7,029
Disposals - written down value	-	(92)	(154)	-	-	-	-	(246)	-	(246)
Depreciation expense	-	(7,460)	(5,787)	(1,242)	(60)	-	-	(14,549)	(1,949)	(16,498)
Impairment (loss)/income	-	(838)	-	(1,015)	-	-	-	(1,853)	-	(1,853)
Transfers	-	506	6,201	947	-	-	(7,654)	-	-	-
<b>Closing net book amount</b>	<b>8,899</b>	<b>167,597</b>	<b>24,517</b>	<b>20,868</b>	<b>2,176</b>	<b>117</b>	<b>3,346</b>	<b>227,520</b>	<b>30,209</b>	<b>257,729</b>
<b>At 31 December 2022</b>										
At cost	8,899	263,469	82,257	35,020	2,374	7,058	3,346	402,423	37,239	439,662
Accumulated depreciation	-	(94,922)	(57,740)	(11,874)	(198)	(6,258)	-	(170,992)	(7,030)	(178,022)
Accumulated impairment	-	(950)	-	(2,278)	-	(683)	-	(3,911)	-	(3,911)
<b>Net book amount</b>	<b>8,899</b>	<b>167,597</b>	<b>24,517</b>	<b>20,868</b>	<b>2,176</b>	<b>117</b>	<b>3,346</b>	<b>227,520</b>	<b>30,209</b>	<b>257,729</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 13 Property, plant and equipment (continued)

Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>Year ended 31 December 2023</b>										
Opening net book amount	8,899	167,597	24,517	20,868	2,176	117	3,346	227,520	30,209	257,729
Additions	-	-	-	-	-	-	16,454	16,454	1,260	17,714
Disposals - written down value	-	(27)	(330)	(35)	-	-	-	(392)	(30)	(422)
Depreciation expense	-	(7,294)	(4,950)	(953)	(60)	-	-	(13,257)	(2,108)	(15,365)
Impairment loss reversal	-	112	-	687	-	-	-	799	-	799
Transfers	2,439	2,875	8,122	1,772	-	-	(15,208)	-	-	-
<b>Closing net book amount</b>	<b>11,338</b>	<b>163,263</b>	<b>27,359</b>	<b>22,339</b>	<b>2,116</b>	<b>117</b>	<b>4,592</b>	<b>231,124</b>	<b>29,331</b>	<b>260,455</b>
<b>At 31 December 2023</b>										
At cost	11,338	266,267	88,196	36,701	2,374	7,058	4,592	416,526	38,469	454,995
Accumulated depreciation	-	(102,166)	(60,837)	(12,771)	(258)	(6,258)	-	(182,290)	(9,138)	(191,428)
Accumulated impairment	-	(838)	-	(1,591)	-	(683)	-	(3,112)	-	(3,112)
<b>Net book amount</b>	<b>11,338</b>	<b>163,263</b>	<b>27,359</b>	<b>22,339</b>	<b>2,116</b>	<b>117</b>	<b>4,592</b>	<b>231,124</b>	<b>29,331</b>	<b>260,455</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 13 Property, plant and equipment (continued)

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>Consolidated</b>										
<b>At 1 January 2022</b>										
At cost	8,899	263,173	76,833	34,073	2,374	8,828	4,407	398,587	40,501	439,088
Accumulated depreciation	-	(87,580)	(52,551)	(10,632)	(138)	(8,028)	-	(158,929)	(8,779)	(167,708)
Accumulated impairment	-	(112)	-	(1,263)	-	(683)	-	(2,058)	-	(2,058)
<b>Net book amount</b>	<b>8,899</b>	<b>175,481</b>	<b>24,282</b>	<b>22,178</b>	<b>2,236</b>	<b>117</b>	<b>4,407</b>	<b>237,600</b>	<b>31,722</b>	<b>269,322</b>
<b>Year ended 31 December 2022</b>										
Opening net book amount	8,899	175,481	24,282	22,178	2,236	117	4,407	237,600	31,722	269,322
Additions	-	-	12	-	-	-	6,593	6,605	436	7,041
Disposals - written down value	-	(92)	(154)	-	-	-	-	(246)	-	(246)
Depreciation expense	-	(7,460)	(5,793)	(1,242)	(60)	-	-	(14,555)	(1,949)	(16,504)
Impairment (loss)	-	(838)	-	(1,015)	-	-	-	(1,853)	-	(1,853)
Transfers	-	506	6,201	947	-	-	(7,654)	-	-	-
<b>Closing net book amount</b>	<b>8,899</b>	<b>167,597</b>	<b>24,548</b>	<b>20,868</b>	<b>2,176</b>	<b>117</b>	<b>3,346</b>	<b>227,551</b>	<b>30,209</b>	<b>257,760</b>
<b>At 31 December 2022</b>										
At cost	8,899	263,469	82,488	35,020	2,374	7,058	3,346	402,654	37,239	439,893
Accumulated depreciation	-	(94,922)	(57,940)	(11,874)	(198)	(6,258)	-	(171,192)	(7,030)	(178,222)
Accumulated impairment	-	(950)	-	(2,278)	-	(683)	-	(3,911)	-	(3,911)
<b>Net book amount</b>	<b>8,899</b>	<b>167,597</b>	<b>24,548</b>	<b>20,868</b>	<b>2,176</b>	<b>117</b>	<b>3,346</b>	<b>227,551</b>	<b>30,209</b>	<b>257,760</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 13 Property, plant and equipment (continued)

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>Consolidated</b>										
<b>Year ended 31 December 2023</b>										
Opening net book amount	8,899	167,597	24,548	20,868	2,176	117	3,346	227,551	30,209	257,760
Additions	-	-	29	-	-	-	16,488	16,517	1,450	17,967
Disposals - written down value	-	(27)	(335)	(35)	-	-	-	(397)	(30)	(427)
Depreciation expense	-	(7,294)	(4,958)	(953)	(69)	-	-	(13,274)	(2,352)	(15,626)
Impairment loss reversal	-	112	-	687	-	-	-	799	-	799
Acquisition through business combinations	-	-	-	-	375	-	49	424	12,237	12,661
Transfers	2,439	2,875	8,122	1,772	-	-	(15,208)	-	-	-
<b>Closing net book amount</b>	<b>11,338</b>	<b>163,263</b>	<b>27,406</b>	<b>22,339</b>	<b>2,482</b>	<b>117</b>	<b>4,675</b>	<b>231,620</b>	<b>41,514</b>	<b>273,134</b>
<b>At 31 December 2023</b>										
At cost	11,338	266,267	88,290	36,701	2,749	7,058	4,675	417,078	50,896	467,974
Accumulated depreciation	-	(102,166)	(60,884)	(12,771)	(267)	(6,258)	-	(182,346)	(9,382)	(191,728)
Accumulated impairment	-	(838)	-	(1,591)	-	(683)	-	(3,112)	-	(3,112)
<b>Net book amount</b>	<b>11,338</b>	<b>163,263</b>	<b>27,406</b>	<b>22,339</b>	<b>2,482</b>	<b>117</b>	<b>4,675</b>	<b>231,620</b>	<b>41,514</b>	<b>273,134</b>

\* Disclosure for each right-of-use asset is included in Note 13.1.



## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 13 Property, plant and equipment (continued)

##### Accounting Policy

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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.

##### 13.1 Right-of-use assets

Information about leases where Southern Cross University is a lessee is presented below:

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Right-of-use assets</b>				
<b>Buildings</b>				
At 1 January	2,067	2,730	2,067	2,730
Additions of right-of-use assets	12,237	-	-	-
Depreciation charge	(877)	(663)	(662)	(663)
<b>At 31 December</b>	<b>13,427</b>	<b>2,067</b>	<b>1,405</b>	<b>2,067</b>
<b>Right-of-use assets</b>				
<b>Land</b>				
At 1 January	27,827	28,992	27,827	28,992
Additions of right-of-use assets	1,260	-	1,260	-
Depreciation charge	(1,183)	(1,165)	(1,183)	(1,165)
<b>At 31 December</b>	<b>27,904</b>	<b>27,827</b>	<b>27,904</b>	<b>27,827</b>
<b>Right-of-use assets</b>				
<b>Equipment</b>				
At 1 January	315	-	315	-
Additions of right-of-use assets	160	436	-	436
Disposals of right-of-use assets	-	-	(30)	-
Depreciation charge	(292)	(121)	(263)	(121)
<b>At 31 December</b>	<b>183</b>	<b>315</b>	<b>22</b>	<b>315</b>
<b>Total right-of-use assets</b>	<b>41,514</b>	<b>30,209</b>	<b>29,331</b>	<b>30,209</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 13 Property, plant and equipment (continued)

##### Accounting Policy

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

At inception of a contract, the Southern Cross 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.

Southern Cross 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 - Southern Cross University as lessee

In contracts where Southern Cross University is a lessee, Southern Cross 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, unless those costs are incurred to produce inventories.

A right-of-use asset associated with land and buildings is measured at amortised cost. All other property, plant and equipment are measured as described in the accounting policy for property, plant and equipment in note 13.

##### Concessionary leases

The University has elected to measure right-of-use assets arising under 'concessionary leases' on initial recognition at fair value, which incorporates the amount of the initial measurement of the lease liability.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 13 Property, plant and equipment (continued)

##### Concessionary leases (continued)

No lease liabilities corresponding to concessionary leases, have been recognised in 2023, due to nil lease payments required over the term of the concessionary lease.

Information about leases where Southern Cross University is a lessee is presented below:

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Land</b>				
At 1 January	2,414	2,538	2,414	2,538
Depreciation charge	(124)	(124)	(124)	(124)
<b>At 31 December</b>	<b>2,290</b>	<b>2,414</b>	<b>2,290</b>	<b>2,414</b>
<b>Total concessionary leases</b>	<b>2,290</b>	<b>2,414</b>	<b>2,290</b>	<b>2,414</b>

##### Dependencies on concessionary leases

The University operates its Coffs Harbour Campus through a joint operation between North Coast TAFE and the New South Wales Department of Education, refer to Note 28. As a partner to the joint operation, the University has a lease with the New South Wales Department of Education for the right to construct and operate buildings and other assets for the purposes of furthering its objectives as a Higher Education Provider and those of the joint operation.

##### Nature and term of the leases

The underlying asset of the lease is the land that the University can use to operate accommodation principally for students and the development of additional building or buildings for accommodation principally for students.

The lease expires in 2058. The University is not required to pay any rent during the term.

##### Concessionary (peppercorn) leases

Leased assets arising from significantly below market leases are measured at fair value at the inception of the lease whereas the lease liability is recognised at present value of peppercorn lease payment amounts. The difference between the right-of-use asset and lease liability is recorded as income in the income statements under AASB 1058.

##### Accounting for leases - The University as lessor

The University is leasing certain land and buildings at the Lismore Campus under a short-term lease arrangement of less than 3 years. Lease payments are recognised on a straight-line basis over the lease term.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 14 Intangible assets

Consolidated	Note	Intangibles \$'000	Goodwill \$'000	Total \$'000
<b>Year ended 31 December 2023</b>				
Additions through business combinations	27	2,324	2,344	4,668
<b>Closing net book amount</b>		<b>2,324</b>	<b>2,344</b>	<b>4,668</b>
<b>At 31 December 2023</b>				
At cost		2,324	2,344	4,668
Accumulated amortisation and impairment		-	-	-
<b>Net book amount</b>		<b>2,324</b>	<b>2,344</b>	<b>4,668</b>

#### Accounting Policy

Goodwill represents the excess of the cost of an acquisition over the fair value of the University's share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, instead it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

#### Intangible assets with finite lives

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

#### Disposal

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 15 Trade and contract liabilities

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current</b>				
Payables	20,180	16,181	18,936	15,690
Contract liabilities	17,265	22,805	17,158	22,727
OS-HELP liability to Australian Government	34,(f) 317	-	317	-
<b>Total current trade and contract liabilities</b>	<b>37,762</b>	<b>38,986</b>	<b>36,411</b>	<b>38,417</b>
<b>Non-current</b>				
Contract liabilities	4,220	5,728	4,220	5,728
<b>Total non-current trade and contract liabilities</b>	<b>4,220</b>	<b>5,728</b>	<b>4,220</b>	<b>5,728</b>
<b>Total trade and contract liabilities</b>	<b>41,982</b>	<b>44,714</b>	<b>40,631</b>	<b>44,145</b>

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

#### Contract liabilities

Contract liabilities - Australian Government	3,653	3,610	3,653	3,610
Other contract liabilities	17,832	24,923	17,725	24,845
<b>Contract liabilities - current</b>	<b>17,265</b>	<b>22,805</b>	<b>17,158</b>	<b>22,727</b>
<b>Contract liabilities - non-current</b>	<b>4,220</b>	<b>5,728</b>	<b>4,220</b>	<b>5,728</b>

Contract liabilities are associated to the University's obligation to transfer goods or services for which it has received consideration (or an amount of consideration is due) from the customer. Where the obligation is due in greater than 12 months, it has been classified as non-current. Contract liabilities differ from the amounts disclosed in Note 19 Other Liabilities. The contract liabilities include deferred income or liabilities arising from agreements, among others.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 16 Borrowings

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current</b>				
Unsecured bank loans	-	1,600	-	1,600
Lease liabilities	4,732	2,736	2,713	2,736
<b>Total current borrowings</b>	<b>4,732</b>	<b>4,336</b>	<b>2,713</b>	<b>4,336</b>
<b>Non-Current</b>				
Unsecured bank loans	9,481	4,881	9,481	4,881
Lease liabilities	50,987	41,343	41,614	41,343
<b>Total non-current borrowings</b>	<b>60,468</b>	<b>46,224</b>	<b>51,095</b>	<b>46,224</b>
<b>Total borrowings</b>	<b>65,200</b>	<b>50,560</b>	<b>53,808</b>	<b>50,560</b>

#### (a) Assets pledged as security

The University has no assets pledged as security for borrowings drawn during the year ended 31 December 2023 (2022: Nil).

#### (b) Financing arrangements

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

##### Credit standby arrangements:

Guarantee facility	1,000	1,000	1,000	1,000
Other facilities	1,500	1,500	1,500	1,500
<b>Total credit standby arrangements</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
Used at balance date	(775)	(471)	(775)	(471)
<b>Total unused at balance date</b>	<b>1,725</b>	<b>2,029</b>	<b>1,725</b>	<b>2,029</b>
<b>Bank loan facilities</b>				
Total facilities	52,400	54,000	52,400	54,000
Used at balance date	(9,481)	(6,481)	(9,481)	(6,481)
<b>Total unused at balance date</b>	<b>42,919</b>	<b>47,519</b>	<b>42,919</b>	<b>47,519</b>

#### (c) Bank loans

The University has a 5-year committed loan facility for \$54,000,000 of which \$45,000,000 is guaranteed by NSW Treasury. This facility is reduced by \$1,600,000 each year according to the terms of the agreement.

#### (d) Fair value

The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 16 Borrowings (continued)

##### (e) Risk exposures

The exposure of the University's borrowings to interest rate changes and the contractual repricing dates at the balance dates are as follows:

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Within one year	5,407	2,981	2,833	2,981
Between one and five years	19,987	11,980	11,983	11,980
Later than five years	57,485	54,849	54,439	54,849
<b>Total borrowings</b>	<b>82,879</b>	<b>69,810</b>	<b>69,255</b>	<b>69,810</b>

The carrying amounts of the University's borrowings are denominated in Australian dollars. For an analysis of the sensitivity of borrowings to interest rate risk, refer to Note 31.

##### (f) Reconciliation of liabilities arising from financing activities

	2022	Cash flows	Non-cash changes		2023
			Acquisition / Disposal	Other	
	\$'000	\$'000	\$'000	\$'000	\$'000
Long-term borrowings	4,881	3,000	-	1,600	9,481
Short-term borrowings	1,600	-	-	(1,600)	-
Lease liabilities	44,079	(3,075)	12,810	1,905	55,719
<b>Total liabilities from financing activities</b>	<b>50,560</b>	<b>(75)</b>	<b>12,810</b>	<b>1,905</b>	<b>65,200</b>

#### Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statements 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 statements 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 University 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.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 16.1 The University as lessee

##### Amounts recognised in the income statements

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Interest on lease liabilities	1,905	1,697	1,846	1,697
Expenses relating to short-term leases	1,078	773	697	773
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	1,066	1,089	1,066	1,089
<b>Total</b>	<b>4,049</b>	<b>3,559</b>	<b>3,609</b>	<b>3,559</b>

##### Maturity analysis - undiscounted contractual cash flows

Less than one year	5,407	2,981	2,833	2,981
One to five years	19,987	11,980	11,983	11,980
More than 5 years	57,485	54,849	54,439	54,849
<b>Total undiscounted contractual cash flows</b>	<b>82,879</b>	<b>69,810</b>	<b>69,255</b>	<b>69,810</b>
Future finance charges	(27,160)	(25,731)	(24,928)	(25,731)
Lease liabilities recognised in the statements of financial position	55,719	44,079	44,327	44,079
<b>Current</b>	<b>4,732</b>	<b>2,736</b>	<b>2,713</b>	<b>2,736</b>
<b>Non-current</b>	<b>50,987</b>	<b>41,343</b>	<b>41,614</b>	<b>41,343</b>

##### Nature of leasing activities as a lessee

###### Land

The University has entered into three long term land leases for the purposes of the construction and operation of a public university and educational campus at Bilinga, Queensland.

These leases expire in 2047 with an option to renew for a further 48 years. Lease payments are subject to an annual review based on the higher of CPI or the fixed rate and then an additional market review each three years.

##### Exposure from variable lease payments

The University does not have any material leases which are exposed to variable lease payments.

##### Exposure from extension options and termination options

The University has options to extend the term of its long term land leases at its Gold Coast campus, at balance date. Extension options are available on each long term land lease, however, it is the University's assessment that it is not certain that these options will be exercised, therefore, the option has not been included in determining the length of term of the associated lease liabilities.

##### Exposure from residual value guarantees

The University is not exposed to any material residual value guarantees on any of its lease contracts.



## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 16.1 The University as lessee (continued)

##### Exposure from leases not yet commenced but committed by Southern Cross University

The University has not entered into any contractual lease arrangements which are not yet effective at balance date.

##### Restrictions and covenants imposed by leases

The University leases land on which its Gold Coast campus is located. The lease agreement stipulates that the land may, during the term, be affected by a resumption or surrender by the landlord and the tenant of the land, and/or the granting of a volumetric lease to facilitate the development of a heavy railway line by Queensland Transport.

##### Sale and leaseback transactions

None of the University's lease contracts are subject to sale and leaseback arrangements.

##### Amounts recognised in statements of cash flows

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Total cash outflow for leases	3,075	2,845	2,839	2,845

##### Accounting policy leases

##### Lease liabilities - Southern Cross University as lessee

Policy on assessment of whether a contract is, or contains, a lease is detailed in note 13.1.

##### 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); and
- Amounts expected to be payable by the lessee under residual value guarantees.

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 statements. 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. The adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Right-of-use assets are presented within the right-of-use assets note, in Note 13.1 and lease liabilities are presented within Note 16.1 above.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 16.1 The University as lessee (continued)

##### Accounting policy leases (continued)

##### Short-term leases and leases of low-value assets

The 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 \$10,000 or less. The University recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

##### Concessionary leases

The University has not recognised any lease liabilities corresponding to concessionary leases in 2023 and 2022 as there were no lease payments being required over the term of the concessionary lease. Refer to note 13.1 for the accounting policy related to concessionary leases.

#### 17 Provisions

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current provisions expected to be settled wholly within 12 months</b>					
<b>Employee benefits</b>					
Annual leave		9,204	8,380	8,871	8,360
Long service leave		5,699	5,131	5,637	5,131
Defined benefit obligation	33(d)	5,908	4,776	5,908	4,776
Other benefits		-	1,168	-	1,168
		<b>20,811</b>	<b>19,455</b>	<b>20,416</b>	<b>19,435</b>
<b>Current provisions expected to be settled wholly after more than 12 months</b>					
<b>Employee benefits</b>					
Annual leave		3,462	3,639	3,276	3,633
Long service leave		13,238	12,514	13,114	12,514
		<b>16,700</b>	<b>16,153</b>	<b>16,390</b>	<b>16,147</b>
<b>Total current provisions</b>		<b>37,511</b>	<b>35,608</b>	<b>36,806</b>	<b>35,582</b>
<b>Non-current provisions</b>					
<b>Employee benefits</b>					
Long service leave		2,710	2,212	2,621	2,209
Defined benefit obligation	33(d)	79,275	81,720	79,275	81,720
<b>Other provisions</b>					
Make good		856	-	-	-
<b>Total non-current provisions</b>		<b>82,841</b>	<b>83,932</b>	<b>81,896</b>	<b>83,929</b>
<b>Total provisions</b>		<b>120,352</b>	<b>119,540</b>	<b>118,702</b>	<b>119,511</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 17 Provisions (continued)

##### (a) Movements in provisions

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

<b>Consolidated</b>	<b>Provision for Make Good</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
Carrying amount as at 1 January 2023	-	-
Additional provisions recognised	<b>856</b>	<b>856</b>
Unused amounts reversed	-	-
Amounts used	-	-
<b>Carrying amount as at 31 December 2023</b>	<b>856</b>	<b>856</b>

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

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.

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.

#### Employee benefits

##### (i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries, annual leave, and other 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.

##### (ii) Other long-term obligations

The liability for other long-term benefits are those that are not expected to be settled wholly before 12 months after the end of the annual reporting period. Other long-term employee benefits include such things as annual leave and long service leave liabilities.

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

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

##### (iii) Retirement benefit obligations

Refer to note 33 for ageing of net liability and reimbursement rights relating to defined benefits obligation.

**Notes to the Financial Statements****For the Year Ended 31 December 2023****18 Other financial liabilities**

Note	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current</b>				
Other financial liabilities at amortised cost	2,522	2,537	2,522	2,537
<b>Total current other financial liabilities</b>	<b>2,522</b>	<b>2,537</b>	<b>2,522</b>	<b>2,537</b>

**19 Other liabilities**

<b>Current</b>				
Australian Government unspent financial assistance	19,801	23,720	19,801	23,720
Student Fees received in advance	17,112	12,222	17,112	12,222
Other liabilities	222	191	65	45
<b>Total current other liabilities</b>	<b>37,135</b>	<b>36,133</b>	<b>36,978</b>	<b>35,987</b>
<b>Non-current</b>				
Australian Government unspent financial assistance	1,487	1,784	1,487	1,784
Other liabilities	133	137	133	137
<b>Total non-current other liabilities</b>	<b>1,620</b>	<b>1,921</b>	<b>1,620</b>	<b>1,921</b>
<b>Total other liabilities</b>	<b>38,755</b>	<b>38,054</b>	<b>38,598</b>	<b>37,908</b>

**Accounting Policy**

Any Australian Government contract liabilities in scope of AASB 15 are disclosed in Note 15.

**20 Reserves and retained earnings****(a) Reserves****Reserves**

Financial asset reserve	8,013	7,309	8,013	7,309
<b>Total Reserves</b>	<b>8,013</b>	<b>7,309</b>	<b>8,013</b>	<b>7,309</b>

**Movements****Financial asset reserve**

Balance 1 January	7,309	18,987	7,309	18,987
Gain/(loss) on revaluation	2,360	(11,678)	2,360	(11,678)
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20(b) (1,656)	-	(1,656)	-
<b>Balance 31 December</b>	<b>8,013</b>	<b>7,309</b>	<b>8,013</b>	<b>7,309</b>
<b>Total reserves</b>	<b>8,013</b>	<b>7,309</b>	<b>8,013</b>	<b>7,309</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 20 Reserves and retained earnings (continued)

##### (b) Retained earnings

Movements in retained earnings were as follows:

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Retained earnings at 1 January		296,943	303,625	296,732	303,464
Net result from continuing operations		(4,962)	(6,711)	(4,493)	(6,761)
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20(a)	1,656	-	1,656	-
Remeasurement of defined benefit plans	33(e)	(5)	29	(5)	29
<b>Retained earnings at end of the financial year</b>		<b>293,632</b>	<b>296,943</b>	<b>293,890</b>	<b>296,732</b>

##### (c) Nature and purpose of reserves

The financial asset reserve reflects the difference between the carrying value and fair value of investments in non-listed companies.

#### 21 Key management personnel disclosures

##### (a) Names of responsible persons

The following persons were responsible persons of Southern Cross University during the financial year:

##### Official Council Members

Sandra McPhee AM, Chancellor  
Professor Tyrone Carlin, Vice-Chancellor  
Professor Andrew Rose, Chair Academic Board

##### Ministerial Appointments

Murray d'Almeida  
Jonathan Rourke

##### Elected Council Members

Associate Professor Renaud Joannes-Boyou  
Prue Berry  
Lucy Shinnars  
Olivia Noffke  
Gurpreet Singh - commenced 10 November 2023

##### Council Appointed Members

Dr Austin Curtin AM  
Julie Granger  
Scott Noble  
Geoffrey Stalley

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 21 Key management personnel disclosures (continued)

##### (a) Names of responsible persons (continued)

###### Council members whose term concluded in 2023 are as follows:

Dr Austin Curtin AM - concluded 11 September 2023  
Olvia Noffke - concluded 9 November 2023  
Professor Andrew Rose - concluded 31 December 2023

##### (b) Names of executive officers

The following persons had executive authority and responsibility for planning, directing and controlling the activities of Southern Cross University during the financial year:

Professor Tyrone Carlin	Vice-Chancellor
Professor Mary Spongberg	Deputy Vice Chancellor (Research)
Professor Erica Wilson	Pro Vice Chancellor (Academic Innovation)
Professor Thomas Roche	Pro Vice Chancellor (Academic Quality)
Allan Morris	Vice President (Operations)
Travis Walker	Vice President (Finance)
Ben Roche	Vice President (Engagement) - to 6 August 2023 Pro Vice Chancellor (Research and Education Impact) commenced 7 August 2023
Dean Gould	Acting Vice President (Engagement) from 6 August 2023 to 1 December 2023
Anna-Maree Shaw	Vice President (Future Students and Outreach) - commenced 1 December 2023
Brendon Nelson	Vice President (Students) and Registrar
Jack Williamson	Vice President (Strategy and Implementation)

##### (c) Remuneration of board members and executives

	Consolidated		Parent	
	2023 Number	2022 Number	2023 Number	2022 Number
<b>Remuneration of Board Members</b>				
Nil to \$14,999	8	12	8	12
\$15,000 to \$29,999	1	-	1	-
\$105,000 to \$119,999	-	1	-	1
\$120,000 to \$134,999	-	1	-	1
\$135,000 to \$149,999	1	-	1	-
\$150,000 to \$164,999	1	-	1	-
\$165,000 to \$179,999	-	1	-	1
\$180,000 to \$194,999	1	-	1	-
\$225,000 to \$239,999	1	1	1	1
\$735,000 to \$749,999	-	1	-	1
\$840,000 to \$854,999	1	-	1	-

No remuneration is paid to members in respect of their role on Council. Remuneration includes any movements in leave balances, including leave not taken.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 21 Key management personnel disclosures (continued)

##### (c) Remuneration of board members and executives (continued)

	Consolidated		Parent	
	2023 Number Number	2022 Number Number	2023 Number Number	2022 Number Number
<b>Remuneration of executive officers</b>				
\$45,000 to \$59,999	1	-	1	-
\$105,000 to \$119,999	1	-	1	-
\$285,000 to \$299,999	-	1	-	1
\$300,000 to \$314,999	-	1	-	1
\$315,000 to \$329,999	-	1	-	1
\$345,000 to \$359,999	1	-	1	-
\$360,000 to \$374,999	1	1	1	1
\$375,000 to \$389,999	1	1	1	1
\$390,000 to \$404,999	1	2	1	2
\$405,000 to \$419,999	2	-	2	-
\$435,000 to \$449,999	1	1	1	1
\$510,000 to \$524,999	1	-	1	-
\$735,000 to \$749,999	-	1	-	1
\$840,000 to \$854,999	1	-	1	-

Remuneration bands for the Vice Chancellor appear in both tables above as this management position is a member of both Council and Executive Committee. Remuneration includes any movements in leave balances, including leave not taken.

##### (d) Key management personnel compensation

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Short-term employee benefits	4,213	3,591	4,213	3,591
Post-employment benefits	650	597	650	597
Other long-term benefits	171	145	171	145
	<b>5,034</b>	<b>4,333</b>	<b>5,034</b>	<b>4,333</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 22 Remuneration of auditors

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

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Audit the Financial Statements</b>				
Fees paid - Audit Office of NSW	251	215	227	193
<b>Total paid for audit</b>	<b>251</b>	<b>215</b>	<b>227</b>	<b>193</b>
<b>Other audit and assurance services</b>				
Fees paid - Audit Office of NSW	9	9	9	9
Fees paid to firms unrelated to the Audit Office of NSW	111	90	108	90
<b>Total paid for audit and assurance</b>	<b>120</b>	<b>99</b>	<b>117</b>	<b>99</b>

#### 23 Contingencies

##### (a) Contingent liabilities

###### **Bank Guarantees**

The University has a bank guarantee facility in place with a facility limit of \$1,000,000 of which \$443,620 was utilised at 31 December 2023 (2022: \$167,868). These guarantees are in respect of leased premises.

###### **Claims**

From time to time, the University is subject to claims arising from activities undertaken in the normal course of business. Such claims may result in litigation. The University has considered those claims of which it was aware as at 31 December 2023 by reference to the disclosure criteria of contingent liabilities. The University is satisfied that none of the contingent liabilities are material for disclosure in the University's financial statements.

###### **Letter of comfort to subsidiaries**

The University has provided its subsidiaries (Southern Cross Campus Services Ltd and SCU Ventures Pty Limited) a letter of comfort guaranteeing the liabilities of the controlled entities. At the date of this report, the net liabilities of the controlled entities total \$32,792 (2022: net assets of \$103,461).

##### (b) Contingent assets

The University did not have any contingent assets as at 31 December 2023 (2022: \$Nil).



## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 24 Commitments

##### (a) Capital commitments

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

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Property, plant and equipment</b>				
Within one year	3,381	2,336	3,381	2,336
<b>Total property, plant and equipment commitments</b>	<b>3,381</b>	<b>2,336</b>	<b>3,381</b>	<b>2,336</b>

#### 25 Related Parties

##### (a) Parent entities

The ultimate parent entity is Southern Cross University, which is incorporated in Australia.

##### (b) Subsidiaries

Interests in subsidiaries are set out in note 26.

##### (c) Key management personnel

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

##### (d) Transactions with related parties

The following transactions occurred between related parties:

	Parent	
	2023 \$'000	2022 \$'000
Facilities hire and other costs	(408)	(297)
Catering services	37	16
External education services	410	-
Forgiveness of related party loan	-	1,113

##### (e) Loans to related parties

###### Loans to associates

Beginning of the year	16	16
<b>End of year</b>	<b>16</b>	<b>16</b>

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 25 Related Parties (continued)

##### (f) Outstanding balances

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

	Parent	
	2023	2022
	\$'000	\$'000
Current receivables		
Subsidiaries	322	289
<b>Total current receivables</b>	<b>322</b>	<b>289</b>

The University forgave the outstanding balance of the loan payable by Southern Cross Campus Services Limited of \$1,112,670 effective 31 December 2022.

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

##### (g) Guarantees

There have been no guarantees given by the parent entity to its subsidiary as at balance date (2022: Nil)

A letter of unconditional financial support has been provided by Southern Cross University to its subsidiaries. The ultimate parent entity will support the entities financially to ensure they can pay their debts as and when they fall due.

##### (h) Terms and Conditions

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

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 26 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described below:

Name of Entity	Principal place of business	Ownership interest	
		2023 %	2022 %
Southern Cross Campus Services Ltd	Australia	100.00	100.00
SCU Ventures Pty Limited	Australia	100.00	-

#### Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of the subsidiaries of Southern Cross University ("parent entity") as at 31 December 2023 and the results of all subsidiaries for the year then ended. Southern Cross University and its subsidiaries together are referred to in this financial report as the University or the consolidated entity.

Subsidiaries are all those entities (including structured entities) over which the University has control. The University 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 University controls another entity.

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 27 Business Combinations

On the 1st of December 2023, the University acquired all the shares in SCU Ventures Pty Limited (formerly Educo Sydney Branch Pty Limited) for a total purchase consideration of \$5,021,800. There was no contingent or deferred consideration applicable in the acquisition.

The primary reasons for the business combination is the company operated branch campuses across key metropolitan areas and is a strategic asset.

The purchase price accounting involves judgement and complexity in the purchase price allocation, including determining the fair values of the acquired assets and liabilities. The acquisition has been provisionally accounted. The fair value of below numbers are subject to measurement period adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

Details of the fair value of the assets and liabilities acquired and goodwill are as follows:

	Note	Fair value \$'000
<b>Purchase consideration:</b>		
- Cash	11	5,022
<b>Total purchase consideration</b>		<u>5,022</u>
<b>Assets or liabilities acquired:</b>		
<b>Assets</b>		
Cash and cash equivalents		1,214
Trade and other receivables		719
Prepayments		149
Property, plant and equipment		12,700
Intangible assets	14	<u>2,324</u>
<b>Total assets acquired</b>		<u>17,106</u>
<b>Liabilities</b>		
Trade and other payables		(1,104)
Contract liabilities		(313)
Lease liabilities		(11,380)
Provisions		<u>(1,631)</u>
<b>Total liabilities assumed</b>		<u>(14,428)</u>
<b>Total net identifiable assets</b>		<u>2,678</u>
<b>Total identifiable assets acquired and liabilities assumed</b>		<u>2,678</u>
Total consideration		5,022
Less: Identifiable net assets acquired		<u>(2,678)</u>
<b>Goodwill</b>	14	<u><u>2,344</u></u>
<b>Net cash outflow arising on acquisition</b>		
Cash consideration		5,022
Less: Cash and cash equivalent balances acquired		<u>(1,214)</u>
		<u><u>3,808</u></u>

The fair value of the acquired trade and other receivables is \$718,630, which is expected to be fully recoverable.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 27 Business Combinations (continued)

##### Accounting Policy

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the University. This method requires recognising and measuring the identifiable assets acquired, liabilities assumed and any goodwill. Intangible assets acquired in a business combination are recognised separately from goodwill if they are separable, but only together with a related contract, identifiable asset or liability. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

#### 28 Joint Operations

The University has entered into the following joint operations.

Name of joint operation	Nature of relationship	Principle place of business	Controlling Interest	
			2023 %	2022 %
The Hotel School	Represents a partnership with Mulpha Education Group Pty Ltd for the purpose of the education and development of students who are either employed, or wishing to be employed, in the hotel and tourism industries.	Sydney, Melbourne, Brisbane & Hayman Island	50.00	50.00
Coffs Harbour Education Campus	Represents the development and continued operation of a joint educational precinct with Coffs Harbour Senior College and North Coast TAFE at the Coffs Harbour campus	Coffs Harbour	33.33	33.33

Under AASB 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

The University's share of assets, liabilities, revenue and expenses of each joint operation have been incorporated in the financial statements under the appropriate headings.

The assets and liabilities employed in the above jointly controlled operations, including the Southern Cross University's share of any assets and liabilities held jointly, are detailed below.

The amounts are included in the financial statements under their respective categories.

	2023 \$'000	2022 \$'000
Assets (including share of jointly held assets)	21,603	22,865
Liabilities (including jointly incurred)	3,291	3,497

The revenue and expenses raised or incurred in the above jointly controlled operations, including the Southern Cross University's share of any revenue or jointly incurred expenses, are detailed below. The amounts are included in financial statements under their respective categories.

	2023 \$'000	2022 \$'000
Share of revenue from joint operation	6,095	5,743
Expenses (including jointly incurred)	5,797	4,847

#### 29 Events Occurring 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 University, the results of those operations, or the state of affairs of the University in future financial years.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 30 Reconciliation of net result to net cash (used in) / provided by operating activities

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Net result from continuing operations		(4,962)	(6,711)	(4,493)	(6,761)
Depreciation and amortisation	5	15,626	16,504	15,365	16,498
Impairment loss on assets	7	78	3,218	65	3,195
Net gain on sale of non-current assets		(57)	15	(40)	15
Fair value losses on other financial assets at fair value through profit or loss		(944)	129	(944)	129
Share of joint venture entity net profit after income tax and dividends		(8)	5	-	-
Change in operating assets and liabilities, net of effects from purchase of controlled entity		40	-	-	-
<b>Change in operating assets and liabilities:</b>					
(Increase) / decrease in receivables and contract assets		(1,942)	23,589	(2,166)	23,821
(Increase) / decrease in inventories		(2)	8	-	-
(Increase) / decrease in other assets		(4,780)	2,865	(4,588)	2,866
Increase / (decrease) in trade payables and accruals		3,004	(1,464)	3,250	(1,894)
Increase / (decrease) in other provisions		(823)	(23,147)	(814)	(23,129)
Increase / (decrease) in other operating liabilities		701	14,573	690	14,427
Increase / (decrease) in contract liabilities		(7,047)	2,075	(7,075)	2,013
Increase / (decrease) in other financial liabilities		(15)	109	(15)	109
<b>Net cash (used in)/provided by operating activities</b>		<b>(1,131)</b>	<b>31,768</b>	<b>(765)</b>	<b>31,289</b>

#### 31 Financial risk management

The University'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 University'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 University. The University 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, and ageing analysis for credit risk.

The University is exposed to a variety of financial risks including market risk, credit risk and liquidity risk. The University's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the University.

The University's principal financial instruments are cash and cash equivalents, as well as investments in listed and unlisted equities, managed investment funds and other held to maturity investments. The main purpose of the investment funds are to earn an income stream and provide long term growth to support the objectives of the University.

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

Risk management is carried out by a central group treasury department under policies approved by the University Council. The University does not enter into or trade financial instruments for speculative purposes.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 31 Financial risk management (continued)

##### (a) Market risk

###### (i) Foreign exchange risk

The University undertakes transactions with other educational institutions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. At reporting date the transactions were insignificant and the movement in rates throughout the year was not considered high risk.

###### (ii) Price risk

Price risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market.

The University is exposed to securities price risk arising from financial assets at fair value.

###### (iii) Cash flow and fair value interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

The University's exposure to market interest rates relates primarily to the University's long term borrowings and investments held as interest bearing deposits and on-call bank deposits. It is policy to protect part of the borrowings from exposure to increasing interest rates.

Any gain or loss from remeasuring the hedging instruments at fair value is deferred in equity in the hedging reserve, to the extent that the hedge is effective, and reclassified to income statement when the hedged interest expense is recognised. The ineffective portion is recognised in the income statement immediately.

###### (iv) Summarised sensitivity analysis

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

31 December 2023	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>													
Cash and cash equivalents	28,961	(214)	(214)	214	214	-	-	-	-	-	-	-	-
Trade and other receivables	35,588	-	-	-	-	-	-	-	-	-	-	-	-
Other financial assets	138,292	-	-	-	-	-	-	-	-	-	(13,829)	-	13,829
<b>Financial liabilities</b>													
Trade and other payables	(18,468)	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	(19,801)	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	(9,481)	95	95	(95)	(95)	-	-	-	-	-	-	-	-
<b>Total increase/(decrease)</b>		(119)	(119)	119	119	-	-	-	-	-	(13,829)	-	13,829

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 31 Financial risk management (continued)

##### (a) Market risk (continued)

31 December 2022	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Financial assets</b>													
Cash and cash equivalents	57,688	(509)	(509)	509	509	-	-	-	-	-	-	-	
Trade and other receivables	33,453	-	-	-	-	8	8	(8)	(8)	-	-	-	
Other financial assets	120,089	-	-	-	-	-	-	-	-	-	(12,009)	- 12,009	
<b>Financial liabilities</b>													
Trade and other payables	(14,241)	-	-	-	-	1	1	(1)	(1)	-	-	-	
Other liabilities	(23,720)	-	-	-	-	-	-	-	-	-	-	-	
Borrowings	(6,481)	65	65	(65)	(65)	-	-	-	-	-	-	-	
<b>Total increase/(decrease)</b>		(444)	(444)	444	444	9	9	(9)	(9)	-	(12,009)	- 12,009	

##### (b) Credit risk

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

##### Receivables

The University'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 Deferred Government receivable, the University does not have any material risk exposure to any other single debtor or group of debtors.

##### Investments

The University limits its exposure to credit risk through its Treasury Policy which establishes eligible counterparties with credit limits based upon counterparty credit ratings. An eligible counterparty must be rated from Standard and Poors or Moodys at a minimum level of BBB+ or above. Given these high credit ratings, management does not expect any counterparty to fail to meet its obligations.



## Notes to the Financial Statements For the Year Ended 31 December 2023

### 31 Financial risk management (continued)

#### (c) Liquidity risk

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

The University manages liquidity risk by maintaining adequate cash reserves, banking facilities and continuously monitoring forecast and actual cash flows to ensure that there is adequate liquidity to meet the University's obligations over the near term.

The interest bearing deposits and deposits at call have an average maturity of 108 days. There has been no variation to the objectives, policies and processes for liquidity risk since the prior period.

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

	Average Interest rate		Variable interest rate		Non Interest Bearing		Within 1 year		1 - 5 years		5+ years		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	%	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>														
Cash and cash equivalents	3.91 %	1.40 %	28,948	57,674	13	14	28,961	57,688	-	-	-	-	28,961	57,688
Trade and other receivables (a)	-	-	-	-	35,588	33,453	35,588	33,453	-	-	-	-	35,588	33,453
Other financial assets	4.67 %	2.88 %	-	-	138,292	120,089	138,292	120,089	-	-	-	-	138,292	120,089
<b>Total financial assets</b>			<b>28,948</b>	<b>57,674</b>	<b>173,893</b>	<b>153,556</b>	<b>202,841</b>	<b>211,230</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>202,841</b>	<b>211,230</b>
<b>Financial Liabilities:</b>														
Trade and other payables	-	-	-	-	18,468	14,241	18,468	14,241	-	-	-	-	18,468	14,241
Borrowings	4.31 %	3.91 %	92,360	76,361	-	-	14,888	9,461	19,987	11,978	57,485	54,922	92,360	76,361
Other liabilities	-	-	-	-	19,801	23,720	19,801	23,720	-	-	-	-	19,801	23,720
<b>Total financial liabilities</b>			<b>92,360</b>	<b>76,361</b>	<b>38,269</b>	<b>37,961</b>	<b>53,157</b>	<b>47,422</b>	<b>19,987</b>	<b>11,978</b>	<b>57,485</b>	<b>54,922</b>	<b>130,629</b>	<b>114,322</b>

(a) The University's deferred government contribution for superannuation included in Note 10 is not included in the above analysis as the timing of cash flows cannot be determined.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 32 Fair value measurements

##### (a) Fair value measurements

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

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 carrying value of the University's financial assets approximates their fair value at balance date.

The University measures and recognises financial assets at fair value through other comprehensive income at fair value on a recurring basis.

##### (b) Fair value hierarchy

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

Level 1	quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	inputs other than quoted prices 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 statements of financial position are categorised into the following levels at 31 December 2023.

##### Fair value measurements at 31 December 2023

Consolidated	Note	2023 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Investments in equity instruments designated at fair value through other comprehensive income	11	59,863	50,139	-	9,724
Other financial assets at fair value through other comprehensive income	11	22,677	22,677	-	-
Other financial assets at fair value through profit & loss	11	50,730	22,427	26,348	1,955
<b>Total financial assets</b>		<b>133,270</b>	<b>95,243</b>	<b>26,348</b>	<b>11,679</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 32 Fair value measurements (continued)

##### (b) Fair value hierarchy (continued)

###### Fair value measurements at 31 December 2022

Consolidated	Note	2022 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Investments in equity instruments designated at fair value through other comprehensive income	11	51,888	42,951	-	8,937
Other financial assets at fair value through other comprehensive income	11	22,265	22,265	-	-
Other financial assets at fair value through profit & loss	11	34,936	21,515	12,521	900
<b>Total financial assets</b>		<b>109,089</b>	<b>86,731</b>	<b>12,521</b>	<b>9,837</b>

There were no transfers in or out of levels 1, 2 or 3 measurement for the year.

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

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

###### (i) Recognised fair value measurements

The fair value of financial instruments that are not traded in an active market is 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 University 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 discounted to reflect the limited liquidity in the market for shareholders to sell their holding and the likely impact of a trade sale should the shareholders realise the value of their equity interests;
- Share of the net assets of unlisted entities;

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 32 Fair value measurements (continued)

##### (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 2023 and 2022.

##### Consolidated

	Unlisted securities \$'000	Total \$'000
<b>Level 3 Fair Value Measurement 2023</b>		
Opening balance	9,837	9,837
Acquisitions	973	973
Recognised in profit or loss	786	786
Recognised in other comprehensive income	83	83
<b>Closing balance</b>	<b>11,679</b>	<b>11,679</b>

##### Level 3 Fair Value Measurement 2022

Opening balance	9,181	9,181
Acquisitions	914	914
Recognised in profit or loss*	(14)	(14)
Recognised in other comprehensive income	(244)	(244)
<b>Closing balance</b>	<b>9,837</b>	<b>9,837</b>

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

There were no transfers between levels or changes in valuation techniques.

##### (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.

##### Consolidated

Description	Fair value at 31 December 2023 \$'000	Unobservable inputs*	Range of inputs	Relationship of unobservable inputs to fair value
Unlisted investments	11,679	Asset-based valuation approach	Book value of net assets assumed to reflect fair value	A market-based and income based valuation approach may produce a different fair value
<b>Total</b>	<b>11,679</b>			

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 33 Retirement benefit obligations

All University employees, including casuals, receive superannuation benefits equal or exceeding the government superannuation guarantee levy.

##### Defined Contribution Plan (Unisuper)

The University contributes to the UniSuper Defined Benefit Plan ('Unisuper') (formerly Superannuation Scheme for Australian Universities) SSAU for academic staff appointed since 1 March 1988 and all other staff from 1 July 1991. Unisuper is a post employment defined contribution plan into which the University pays fixed contributions. The Unisuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law but, as a result of Clause 34 of the Unisuper Trust Deed, a defined contribution plan under Accounting Standard AASB 119.

##### Defined Benefit Plans (State Funds)

The University contributes to three closed state pension schemes (as detailed in Note 33(a)), which are subject to reimbursement arrangements under the *Higher Education Support Act 2003* in the proportion of 78:22 (\$3,867,087 : \$1,090,717) from the Commonwealth and the NSW State Government respectively.

A non-current receivable for deferred government superannuation benefits are the amounts recognised as reimbursement rights as they are the amounts expected to be received from the Australian and New South Wales (NSW) Governments for the emerging costs of the superannuation funds for the life of the liability.

A liability in respect of defined benefit superannuation plans is recognised in the statements 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. 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 statements of changes in equity and in the statements of financial position. Past service costs are recognised in profit or loss immediately.

The liabilities recorded in the statement of financial position under provisions, for all NSW Universities, have been determined by Mercer (Australia) Pty Ltd using consistent valuation techniques.

#### (a) Fund specific disclosure

##### i) Nature of the benefits provided

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

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

These 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. Members receive a lump sum or pension benefits on retirement, death, disablement and withdrawal. All schemes are closed to new members.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 33 Retirement benefit obligations (continued)

##### (a) Fund specific disclosure (continued)

##### ii) Description of the regulatory framework

The schemes in the Pooled Fund are established and governed by the following NSW legislation:

- *Superannuation Act 1916*
- *State Authorities Superannuation Act 1987*
- *State Authorities Non-Contributory Superannuation Scheme Act 1987*, and their associated regulations

The schemes in the Pooled Fund are exempt public sector superannuation schemes under the *Commonwealth Superannuation Industry (Supervision) Act 1993* (SIS). The SIS Legislation treats exempt public sector superannuation funds as complying funds for concessional taxation and superannuation guarantee purposes.

Under a Heads of Government agreement, the New South Wales government undertakes to ensure that the Pooled Fund will conform with the principles of the Commonwealth retirement incomes policy relating to preservation, vesting and reporting to members and that members' benefits are adequately protected.

The New South Wales government prudentially monitors and audits the Pooled Fund and the Trustee Board activities in a manner consistent with the prudential controls of the SIS legislation. These provisions are in addition to other legislative obligations on the Trustee Board and internal processes that monitor the Trustee Board's adherence to the principles of the Commonwealth's retirement incomes policy.

An actuarial investigation of the Pooled Fund is performed every three years. The last actuarial investigation was performed as at 30 June 2021. The next actuarial investigation will be performed at 30 June 2024.

##### iii) Description of other entities' responsibilities for the governance of the funds

The Fund's Trustee is responsible for the governance of the Fund. The Trustee has a legal obligation to act solely in the best interests of fund beneficiaries. The Trustee has the following roles:

- Administration of the fund and payment to the beneficiaries from fund assets when required in accordance with the fund rules;
- Management and investment of the fund assets; and
- Compliance with other applicable regulations.

##### iv) Description of risks

There are a number of risks to which the Fund exposes the Employer. The more significant risks relating to the defined benefits are:

- Investment risk: the risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall;
- Longevity risk: The risk that pensioners live longer than assumed, increasing future pensions;
- Pension indexation risk: the risk that pensions will increase at a rate greater than assumed, increasing future pensions;
- Salary growth risk: The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions;
- Legislative risk: the risk is that Legislative changes could be made which increase the cost of providing the defined benefits.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 33 Retirement benefit obligations (continued)

##### (a) Fund specific disclosure (continued)

The defined benefit fund assets are invested with independent fund managers and have a diversified asset mix. The Fund has no significant concentration of investment risk or liquidity risk.

The Trustee monitors its asset-liability risk continuously in setting its investment strategy. It also monitors cashflows to manage liquidity requirements. No explicit asset-liability matching strategy is used by the Trustee.

##### v) Description of any plan amendments, curtailments and settlements

There were no fund amendments, curtailments or settlements during the year.

##### vi) Expected Contributions

The Southern Cross University expects to make employer contribution's of \$38,412 (2022: \$52,658) to the defined benefit plan during the next financial year.

##### vii) Maturity Profile

The weighted average duration of the defined benefit obligation is 9.7 years (2022 10.1 years). The expected maturity analysis of undiscounted benefit obligations 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 2023	4,970	4,947	15,134	84,519	109,570
Defined benefit obligations - 31 December 2022	4,922	4,970	14,666	81,688	106,246

##### (b) Categories of plan assets

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

	2023 (%)		2022 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Short term securities	12.00	0.20	13.70	-
Australian fixed interest	0.30	-	0.30	-
International fixed interest	3.00	-	3.80	0.10
Australian equities	14.30	-	13.50	5.70
International equities	36.80	0.40	37.90	0.10
Property	-	7.80	-	2.30
Alternatives	4.50	20.60	4.10	18.60
<b>Total</b>	<b>70.90</b>	<b>29.00</b>	<b>73.30</b>	<b>26.80</b>

The fair value of the Pooled Fund assets as at 31 December 2023 includes Nil (2022: Nil) in NSW Government bonds.

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 33 Retirement benefit obligations (continued)

##### (b) Categories of plan assets (continued)

	2023	2022
	%	%
Discount rate(s)	4.00	4.09
Expected rate of return on fund assets backing other liabilities	6.20	6.20
Expected rate(s) of salary increase	3.20 to 5.74	2.74 to 3.68

##### (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 obligation	
		Increase in assumption	Decrease in assumption
		Discount rate	0.50 %
Salary inflation rate	0.50 %	Increase by 0% / Decrease by 0%	

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.

##### (d) Statement of financial position amounts

Amounts recognised in the statements of financial position - 2023	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Liabilities</b>					
Provision for deferred government benefits for superannuation		(109)	(229)	83,465	83,127
Add: Oncosts on pension entitlements		(3)	(6)	2,066	2,057
<b>Total liabilities recognised in the statement of financial position</b>	17	<b>(112)</b>	<b>(235)</b>	<b>85,531</b>	<b>85,184</b>
<b>Assets</b>					
Receivable for deferred government benefit for superannuation	10	(86)	(224)	83,409	83,099
<b>Total assets recognised in the statement of financial position</b>		<b>(86)</b>	<b>(224)</b>	<b>83,409</b>	<b>83,099</b>
<b>Net liability recognised in the statements of financial position</b>		<b>26</b>	<b>11</b>	<b>(2,122)</b>	<b>(2,085)</b>



## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 33 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts (continued)

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Net liability reconciliation - 2023</b>					
Defined benefit obligation		1,351	194	87,629	89,174
On-cost on pension entitlements		(3)	(6)	2,066	2,057
Fair value of plan assets		(1,460)	(423)	(4,164)	(6,047)
<b>Net liability</b>	17	<b>(112)</b>	<b>(235)</b>	<b>85,531</b>	<b>85,184</b>
Reimbursement right	10	(86)	(224)	83,409	83,099
<b>Total net liability/(asset)</b>		<b>(26)</b>	<b>(11)</b>	<b>2,122</b>	<b>2,085</b>
<b>Reimbursement rights - 2023</b>					
Opening value of reimbursement right		994	24	83,380	84,398
Contributions received for super schemes		(508)	(84)	(1,538)	(2,130)
Actuarial losses/(gains) arising from changes in financial assumptions		(572)	(164)	1,567	831
<b>Closing value of reimbursement right</b>	10	<b>(86)</b>	<b>(224)</b>	<b>83,409</b>	<b>83,099</b>
<b>Present value of obligation - 2023</b>					
Opening defined benefit obligation		2,064	322	87,313	89,699
Current service cost		13	9	23	45
Past service cost		80	12	3,473	3,565
		<b>2,157</b>	<b>343</b>	<b>90,809</b>	<b>93,309</b>
<b>Remeasurements</b>					
Actuarial losses/(gains) arising from changes in demographic assumptions		-	-	-	-
Actuarial losses/(gains) arising from changes in financial assumptions		32	8	2,120	2,160
Actuarial losses/(gains) arising from liability experience		(570)	(171)	(581)	(1,322)
		<b>(538)</b>	<b>(163)</b>	<b>1,539</b>	<b>838</b>
<b>Contributions</b>					
Contributions by participants		19	-	12	31
<b>Payments from plan</b>					
Benefits paid		(280)	-	(4,608)	(4,888)
Taxes, premiums and expenses		(7)	14	(123)	(116)
		<b>(287)</b>	<b>14</b>	<b>(4,731)</b>	<b>(5,004)</b>
<b>Closing defined benefit obligation</b>		<b>1,351</b>	<b>194</b>	<b>87,629</b>	<b>89,174</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 33 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts (continued)

		\$'000	\$'000	\$'000	\$'000
	Note	SASS	SANCS	SSS	Total
<b>Present value of plan assets - 2023</b>					
Opening fair value of plan assets		1,099	303	3,876	5,278
Interest (income)		52	13	161	226
		<u>1,151</u>	<u>316</u>	<u>4,037</u>	<u>5,504</u>
<b>Remeasurements</b>					
Return on fund assets less interest income		29	-	(27)	2
<b>Contributions</b>					
Employers		549	92	4,874	5,515
Fund participants		19	-	12	31
		<u>568</u>	<u>92</u>	<u>4,886</u>	<u>5,546</u>
<b>Payments from plan</b>					
Benefits paid		(281)	1	(4,609)	(4,889)
Taxes, premiums and expenses		(7)	14	(123)	(116)
		<u>(288)</u>	<u>15</u>	<u>(4,732)</u>	<u>(5,005)</u>
<b>Closing fair value of plans assets</b>		<u><u>1,460</u></u>	<u><u>423</u></u>	<u><u>4,164</u></u>	<u><u>6,047</u></u>
<b>Amounts recognised in the statements of financial position - 2022</b>					
<b>Liabilities</b>					
Provision for deferred government benefits for superannuation		967	17	83,437	84,421
Provision for pension entitlements		24	-	2,051	2,075
<b>Total liabilities recognised in the statement of financial position</b>	17	<u>991</u>	<u>17</u>	<u>85,488</u>	<u>86,496</u>
<b>Assets</b>					
Receivable for deferred government benefit for superannuation		994	23	83,381	84,398
<b>Total assets recognised in the statements of financial position</b>	10	<u>994</u>	<u>23</u>	<u>83,381</u>	<u>84,398</u>
<b>Net liability recognised in the statements of financial position</b>		<u>3</u>	<u>6</u>	<u>(2,107)</u>	<u>(2,098)</u>
<b>Net liability reconciliation - 2022</b>					
Defined benefit obligation		2,064	322	87,313	89,699
On-cost on pension entitlements		24	-	2,051	2,075
Fair value of plan assets		(1,099)	(303)	(3,876)	(5,278)
<b>Net liability</b>	17	<u>989</u>	<u>19</u>	<u>85,488</u>	<u>86,496</u>
Reimbursement right	10	<u>994</u>	<u>24</u>	<u>83,380</u>	<u>84,398</u>
<b>Total net liability/(asset)</b>		<u><u>(5)</u></u>	<u><u>(5)</u></u>	<u><u>2,108</u></u>	<u><u>2,098</u></u>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 33 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts (continued)

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Reimbursement rights - 2022</b>					
Opening value of reimbursement right		1,221	944	103,439	105,604
Contributions received for super schemes		(275)	(484)	(2,445)	(3,204)
Actuarial losses/(gains) arising from changes in financial assumptions		48	(436)	(17,614)	(18,002)
<b>Closing value of reimbursement right</b>	10	<u>994</u>	<u>24</u>	<u>83,380</u>	<u>84,398</u>
<b>Present value of obligation - 2022</b>					
Opening defined benefit obligation		2,754	766	109,051	112,571
Current service cost		40	20	45	105
Interest expense		44	12	1,790	1,846
		<u>2,838</u>	<u>798</u>	<u>110,886</u>	<u>114,522</u>
<b>Remeasurements</b>					
Actuarial losses/(gains) arising from changes in financial assumptions		(163)	(38)	(20,662)	(20,863)
Actuarial losses/(gains) arising from liability experience		125	(432)	2,772	2,465
		<u>(38)</u>	<u>(470)</u>	<u>(17,890)</u>	<u>(18,398)</u>
<b>Contributions</b>					
Plan Participants		32	-	25	57
<b>Payments from plan</b>					
Benefits paid		(647)	(95)	(5,186)	(5,928)
Taxes, premiums and expenses		(121)	89	(522)	(554)
		<u>(768)</u>	<u>(6)</u>	<u>(5,708)</u>	<u>(6,482)</u>
<b>Closing defined benefit obligation</b>		<u>2,064</u>	<u>322</u>	<u>87,313</u>	<u>89,699</u>
<b>Present value of plan assets - 2022</b>					
Opening fair value of plan assets		1,517	(210)	5,334	6,641
Interest (income)		26	(1)	83	108
		<u>1,543</u>	<u>(211)</u>	<u>5,417</u>	<u>6,749</u>
<b>Remeasurements</b>					
Return on fund assets less interest income		(43)	4	(55)	(94)
<b>Contributions</b>					
Employers		334	516	4,197	5,047
Fund participants		33	-	25	58
		<u>367</u>	<u>516</u>	<u>4,222</u>	<u>5,105</u>
<b>Payments from plan</b>					
Benefits paid		(647)	(95)	(5,186)	(5,928)
Taxes, premiums and expenses		(121)	89	(522)	(554)
		<u>(768)</u>	<u>(6)</u>	<u>(5,708)</u>	<u>(6,482)</u>
<b>Closing fair value of plans assets</b>		<u>1,099</u>	<u>303</u>	<u>3,876</u>	<u>5,278</u>

**Notes to the Financial Statements****For the Year Ended 31 December 2023****33 Retirement benefit obligations (continued)****(e) Amounts recognised in other statements**

The amounts recognised in the statements of comprehensive income are restricted to the following schemes and are included in retained earnings (note 20).

**Amounts recognised in other comprehensive income - 2023**

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Remeasurements</b>				
Actuarial losses (gains) arising from changes in demographic assumptions	-	-	-	-
Actuarial losses (gains) arising from changes in financial assumptions	32	8	2,120	2,160
Actuarial losses (gains) arising from experience adjustments	(570)	(171)	(581)	(1,322)
Remeasurement of reimbursement right	572	164	(1,567)	(831)
Return on fund assets less interest income	(29)	-	27	(2)
<b>Total remeasurements in OCI</b>	<b>5</b>	<b>1</b>	<b>(1)</b>	<b>5</b>

**Amounts recognised in other comprehensive income - 2022**

<b>Remeasurements</b>				
Actuarial losses (gains) arising from changes in financial assumptions	(163)	(38)	(20,662)	(20,863)
Actuarial losses (gains) arising from experience adjustments	125	(432)	2,772	2,465
Remeasurement of reimbursement right	(48)	436	17,887	18,275
Return on fund assets less interest income	43	(4)	55	94
<b>Total remeasurements in OCI</b>	<b>(43)</b>	<b>(38)</b>	<b>52</b>	<b>(29)</b>

## Notes to the Financial Statements For the Year Ended 31 December 2023

### 34 Acquittal of Australian government financial assistance

#### (a) Education - CGS and other Education grants

Parent Entity (University) Only	Commonwealth Grants Scheme #1		Indigenous, Regional and Low SES Attainment Fund #2		National Priorities and Industry Linkage Fund		Higher Education Disability Support Program #3		Indigenous Student Success Program #4		Total
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	90,871	89,470	6,329	6,045	3,394	3,279	143	97	2,260	1,934	102,825
Net adjustments	1,914	(1,478)	-	-	64	50	-	-	-	-	(1,428)
<b>Revenue for the period</b>	<b>92,785</b>	<b>87,992</b>	<b>6,329</b>	<b>6,045</b>	<b>3,458</b>	<b>3,329</b>	<b>143</b>	<b>97</b>	<b>2,260</b>	<b>1,934</b>	<b>104,975</b>
Surplus/(deficit) from the previous year	-	-	-	-	-	-	-	-	-	56	56
<b>Total revenue including accrued revenue</b>	<b>92,785</b>	<b>87,992</b>	<b>6,329</b>	<b>6,045</b>	<b>3,458</b>	<b>3,329</b>	<b>143</b>	<b>97</b>	<b>2,260</b>	<b>1,990</b>	<b>104,975</b>
Less expenses including accrued expenses	(92,785)	(87,992)	(6,329)	(6,045)	(3,458)	(3,329)	(143)	(97)	(2,260)	(1,990)	(99,453)

#1 Includes the basic CGS grant amount, CGS - Medical Student Loading, Transition Fund loading, Allocated Places, Non Designated Courses and CGS - Special Advances from Future Years.

#2 Includes the Higher Education Participation and Partnership Program, regional loading and enabling loading.

#3 Higher Education Disability Program includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education & Training

#4 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 34 Acquittal of Australian government financial assistance (continued)

##### (b) Higher Education Loan Programs (excl OS-HELP)

###### Parent Entity (University) Only

Cash Payable/(Receivable) at the beginning of the year

Financial assistance received in CASH during the reporting period

###### Cash available for period

Revenue earned net of adjustments

###### Cash Payable/(Receivable) at end of year

Note	HECS-HELP (Australian Government payments only)		FEE-HELP #5		SA-HELP		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
	8,761	2,589	4,157	4,028	(158)	(59)	12,760	6,558
	38,373	51,215	13,042	15,529	1,695	1,468	53,110	68,212
	47,134	53,804	17,199	19,557	1,537	1,409	65,870	74,770
2.1(b)	46,229	45,043	12,971	15,399	1,628	1,567	60,828	62,009
	905	8,761	4,228	4,158	(91)	(158)	5,042	12,761

#5 Program is in respect of Fee-HELP for Higher Education only, and excludes funds received in respect of VET FEE-HELP.

##### (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	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
	4,130	3,326	3,009	2,827	7,139	6,153
2.1(c)	4,130	3,326	3,009	2,827	7,139	6,153
	4,130	3,326	3,009	2,827	7,139	6,153
	(4,130)	(3,326)	(3,009)	(2,827)	(7,139)	(6,153)
	-	-	-	-	-	-

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 34 Acquittal of Australian government financial assistance (continued)

##### (d) Total Higher Education Provider Research Training Program expenditure

	Total domestic students \$'000	Total overseas students \$'000
Research Training Program Fees offsets	2,533	194
Research Training Program Stipends	1,211	189
Research Training Program Allowances	-	3
<b>Total for all types of support</b>	<b>3,744</b>	<b>386</b>

##### (e) Australian Research Council Grants

###### Parent Entity (University) Only

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

Net accrual adjustments

**Revenue for the period**

Surplus/(deficit) from the previous year

**Total revenue including accrued revenue**

Less expenses including accrued expenses

**Surplus/(deficit) for reporting period**

Note	Discovery		Linkages		Total	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2.1(d)	1,039	1,326	1,103	1,161	2,142	2,487
	178	(364)	79	(604)	257	(968)
	1,217	962	1,182	557	2,399	1,519
	807	644	778	90	1,585	734
	2,024	1,606	1,960	647	3,984	2,253
	(559)	(799)	(407)	131	(966)	(668)
	1,465	807	1,553	778	3,018	1,585

**Notes to the Financial Statements****For the Year Ended 31 December 2023****34 Acquittal of Australian government financial assistance (continued)****(f) OS-HELP**

	<b>2023</b>	2022	
<b>Parent Entity (University) Only</b>	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
Cash received during the reporting period		<b>299</b>	(73)
Cash spent during the reporting period		<b>(87)</b>	(16)
<b>Net cash received</b>		<b>212</b>	(89)
Cash surplus from the previous period		<b>634</b>	723
<b>Cash surplus for reporting period</b>	15	<b>846</b>	634

**(g) Higher Education Superannuation Program**

<b>Parent Entity (University) Only</b>			
Cash received during the reporting period		<b>4,041</b>	3,569
University contribution in respect of current employees		<b>61</b>	339
Cash available		<b>4,102</b>	3,908
Cash surplus / (deficit) from the previous period		<b>-</b>	382
Cash available for current period		<b>4,102</b>	4,290
Contributions to specified defined benefit funds	10 / 33	<b>(4,102)</b>	(4,290)
<b>Cash surplus/(deficit) this period</b>		<b>-</b>	-

**(h) Student Services and Amenities Fee**

<b>Parent Entity (University) Only</b>			
Unspent/(overspent) revenue from previous period		<b>1,287</b>	441
SA-HELP revenue earned	2.1(b)	<b>1,628</b>	1,567
Student Services and Amenities Fees direct from students	2.3	<b>1,290</b>	1,134
<b>Total revenue expendable in period</b>		<b>4,205</b>	3,142
Student services expenses during period		<b>(2,536)</b>	(1,855)
<b>Unspent student services revenue</b>		<b>1,669</b>	1,287





## INDEPENDENT AUDITOR'S REPORT

### Southern Cross University

To Members of the New South Wales Parliament

#### Opinion

I have audited the accompanying financial statements of Southern Cross University (the University), which comprise the Statement by the Members of Council, the Responsible Persons' Declaration, Income Statements and Statements of Comprehensive Income for the year ended 31 December 2023, the Statements of Financial Position as at 31 December 2023, the Statements of Changes in Equity and the Statements of Cash Flows for the year then ended, notes to the financial statements, including a Summary of Material Accounting Policy Information, 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:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act) and the Government Sector Finance Regulation 2018 (GSF Regulation)
- presents fairly, the financial position, financial performance and cash flows of the University and the consolidated entity
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022.

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).

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

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 2023. 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. I have determined the matters described below to be the key audit matters to be communicated in my report.

Key Audit Matter	How my audit addressed the matter
<b>Franking credit receivable</b>	
<p>At 31 December 2023, the University reported a franking credit receivable of \$22.8 million within 'Other receivables' relating to the fully franked in specie dividend of IDP Education Limited (IDP) shares.</p> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> <li>• the franking credit receivable is significant to the University's financial position</li> <li>• the degree of judgement associated with the probability of recovering the franking credit receivable.</li> </ul> <p>Further information on the franking credit receivable is included in Note 10 'Receivables and contract assets'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• obtained and assessed evidence, including legal advice and correspondence, to support the University's judgement to continue recognising the franking credit receivable</li> <li>• assessed the reasonableness of the University's judgement to continue recognising the franking credit receivable</li> <li>• assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.</li> </ul>
<b>Valuation of other financial assets (investments)</b>	
<p>At 31 December 2023, the University held investments of \$133.3 million measured at fair value.</p> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> <li>• of the significance of the balance to the University's financial position</li> <li>• the University's holds a portfolio of assets classified as 'level 3' according to the fair value hierarchy under Australian Accounting Standards (i.e. where significant unobservable inputs are used in the valuation). The University's Level 3 assets of \$11.7 million include unlisted equity securities. Assessing the fair value of these assets requires judgment as the valuation inputs are not based on observable market transactions or other readily available market data</li> <li>• of the degree of judgement and estimation uncertainty associated with the valuation.</li> </ul> <p>Further information on investments is included in Note 11 'Other financial assets' and Note 32 'Fair value measurements'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• evaluating the design of relevant key controls over investments, and assessed on a sample basis whether these controls were implemented effectively</li> <li>• confirming the existence and completeness of balances at 31 December 2023 with external counterparties</li> <li>• obtaining valuation confirmations directly from the external fund managers and assessed the reliability of the information received</li> <li>• assessing the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.</li> </ul>
<b>Valuation of defined benefit superannuation and long service leave liabilities</b>	
<p>At 31 December 2023, the University reported:</p> <ul style="list-style-type: none"> <li>• defined benefit superannuation liabilities totalling \$85.2 million</li> <li>• employee long service leave liabilities totalling \$21.6 million.</li> </ul>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• assessing the key controls supporting the data used in the models</li> <li>• assessing the completeness and mathematical accuracy of the data used in the models</li> </ul>

<b>Key Audit Matter</b>	<b>How my audit addressed the matter</b>
<p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> <li>• the defined benefit superannuation and long service leave liabilities are financially significant to the University's financial position</li> <li>• 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</li> <li>• 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 and salary inflation</li> <li>• the value of the liabilities is sensitive to minor changes in key valuation inputs.</li> </ul> <p>Further information on the valuation of defined benefit superannuation and long service leave liabilities is included in Note 17 'Provisions' and Note 33 'Retirement benefit obligations'</p>	<ul style="list-style-type: none"> <li>• obtaining management's actuarial reports and yearend adjustments, and for defined benefit superannuation liabilities, engaged a qualified actuary ('auditor's expert') to assess the: <ul style="list-style-type: none"> <li>– competence, capability and objectivity of management's independent experts</li> <li>– appropriateness of the models</li> <li>– reasonableness of key assumptions used</li> <li>– reasonableness of the reported liability balances</li> </ul> </li> <li>• assessing the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.</li> </ul>

## Other Information

The University's annual report for the year ended 31 December 2023, includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Appointed Officers of the University are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Report by the Members of the Council.

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.

## Members of Council's Responsibilities for the Financial Statements

The Members of Council are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation, the ACNC Act and the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2023 Reporting Period'. The Members of Council's responsibilities also includes such internal control as the Members of Council determines 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 Members of Council 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](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
- as to the appropriateness of the certifications in the Statement by the Members of Council that the:
  - amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was intended, and the University has complied with applicable legislation, contracts, agreements and program Guidelines in making the expenditure
  - University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* (HES Act) and the Administration Guidelines made under the HES Act. Revenue from the fees were spent strictly in accordance with the HES Act and only on services and amenities specified in subsection 19-38(4) of the HES Act
- 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.



Min Lee  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

22 April 2024  
SYDNEY



To the Vice-Chancellor  
Southern Cross University

### **Auditor's Independence Declaration**

As auditor for the audit of the financial statements of Southern Cross University for the year ended 31 December 2023, 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.

A handwritten signature in black ink, appearing to be 'Min Lee'.

Min Lee  
Director Financial Audit

Delegate of the Auditor-General for New South Wales

22 April 2024  
SYDNEY



# Southern Cross Campus Services Limited

ABN 57 003 082 406

Financial Statements for the  
Year Ended 31 December 2023

## Financial Statements

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## Directors' Report

### For the Year Ended 31 December 2023

The directors present their report on Southern Cross Campus Services Limited ("the Company") for the financial year ended 31 December 2023.

#### Information on directors

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

<b>Paul Deegan</b>	Appointed to the Board on 29 July 2013
Qualifications	BBuild (UNSW), Licensed Real Estate Agent
Special responsibilities	Independent Director
<b>Professor Leslie Christidis</b>	Appointed to the Board on 21 June 2018
Qualifications	BSc(Hons), PhD(ANU)
Special responsibilities	Associate Deputy Vice Chancellor (Research) and Dean at Southern Cross University
<b>Allan Morris</b>	Appointed to the Board on 21 February 2019
Qualifications	Grad Dip InfoTech (Monash), GAICD, MACS (Senior)
Special responsibilities	Vice President (Operations) at Southern Cross University
<b>Travis Walker</b>	Appointed to the Board on 17 April 2019
Qualifications	BBus (Accounting) (RMIT), MBA (La Trobe), CPA
Special responsibilities	Vice President (Finance) at Southern Cross University

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

#### Company Secretary

Belinda Atkinson, Head, Governance Services at Southern Cross University was appointed to the position on 12 December 2017.

#### Principal activities

The principal activity of Southern Cross Campus Services Limited ("the Company") during the year was to provide on-campus amenities and services to students and staff of Southern Cross University ("the University"). These principal activities included operating catering services, fitness facilities and managing residential accommodation.

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

#### Company objectives and strategy

The Company's short and long term objective is to provide services and amenities to students and staff of the University. To achieve these objectives, the Company has adopted the strategy to provide high quality service in the provision of on-campus food and beverage services, fitness facilities and other amenities. The financial and operating performances are assessed against an approved budget, feedback received from the University and users of the Company's services and metrics relating to student and staff usage of facilities provided.

#### Operating result

The Company reported a net surplus of \$248,651 (2022: \$1,168,028).

## Directors' Report

### For the Year Ended 31 December 2023

#### Members guarantee

The Company is a not-for-profit entity, incorporated under the *Corporations Act 2001* and limited by guarantee. As the sole member, Southern Cross University, undertakes to contribute to the property of the Company, in the event of it being wound up, such an amount as may be required not exceeding \$20. At 31 December 2023, the collective liability of members was \$20 (2022: \$20).

#### Going concern

The financial report has been prepared on a going concern basis. The directors have received a guarantee of continuing financial support from the Company's ultimate parent entity, Southern Cross University, and the directors believe that such financial support will continue to be made available.


#### Meetings of directors


During the financial year, one meeting of directors was held with all directors attending.

#### Auditor's independence declaration

The auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Regulations 2022* (ACNC Regulation) for the year ended 31 December 2023 has been received and can be found on page 143 of the financial report.

Signed on behalf of and in accordance with the resolution of the Board of Directors:

Director:   
.....  
Travis Walker

Director:   
.....  
Allan Morris


Dated 18 April 2024

## Directors' Financial Declaration

The directors of the Company declare that:

1. The financial statements and notes, set out on pages 122 to 139, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and section 7.6(4) of the *Government Sector Finance Act 2018* and:
  - a. comply with Australian Accounting Standards, the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2018*, the *Australian Charities and Not-for-profit Commission Act 2012*, *Australian Charities and Not-for-profit Commission Regulations 2022* and other mandatory professional reporting requirements; and
  - b. presents fairly the financial position as at 31 December 2023 and the financial performance and cash flows for the year then ended.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022* and with a resolution of the Board of Directors.

Director .....  
  
Travis Walker

Director .....  
  
Allan Morris

Dated 18 April 2024

## Statement of Profit or Loss and Other Comprehensive Income

### For the Year Ended 31 December 2023

		2023	2022
	Note	\$	\$
Revenue	2	4,105,274	2,721,200
Other income	2	17,206	1,112,670
Costs of goods sold		(408,842)	(355,826)
Employee benefits expense	3	(931,914)	(734,740)
Impairment expense	4	(13,335)	(23,432)
Depreciation expense		(36,910)	(6,281)
Other expenses	5	(2,474,593)	(1,545,563)
Borrowing costs		(8,235)	-
<b>Net surplus for the year</b>		<b>248,651</b>	<b>1,168,028</b>
<b>Total comprehensive income for the year</b>		<b>248,651</b>	<b>1,168,028</b>

The accompanying notes form part of these financial statements.

**Statement of Financial Position****As At 31 December 2023**

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	886,817	884,607
Trade and other receivables	7	77,785	216,954
Inventories	8	5,805	3,803
Prepayments		2,495	1,283
<b>TOTAL CURRENT ASSETS</b>		<b>972,902</b>	<b>1,106,647</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	242,311	30,732
<b>TOTAL NON-CURRENT ASSETS</b>		<b>242,311</b>	<b>30,732</b>
<b>TOTAL ASSETS</b>		<b>1,215,213</b>	<b>1,137,379</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	407,865	781,167
Lease liabilities	10	44,042	-
Provisions	12	22,465	25,722
Other liabilities	13	156,709	145,787
Contract liabilities	14	106,663	78,067
<b>TOTAL CURRENT LIABILITIES</b>		<b>737,744</b>	<b>1,030,743</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	10	121,267	-
Provisions	12	4,090	3,175
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>125,357</b>	<b>3,175</b>
<b>TOTAL LIABILITIES</b>		<b>863,101</b>	<b>1,033,918</b>
<b>NET ASSETS</b>		<b>352,112</b>	<b>103,461</b>
<b>EQUITY</b>			
Retained earnings	15	352,112	103,461
<b>TOTAL EQUITY</b>		<b>352,112</b>	<b>103,461</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity

### For the Year Ended 31 December 2023

	Retained Earnings/ (Accumulated losses)
Note	\$
<b>Balance at 1 January 2022</b>	<u>(1,064,567)</u>
Net surplus for the year	<u>1,168,028</u>
<b>Balance at 31 December 2022</b>	<u>15</u> <u>103,461</u>
<b>Balance at 1 January 2023</b>	<u>103,461</u>
Net surplus for the year	<u>248,651</u>
<b>Balance at 31 December 2023</b>	<u>15</u> <u>352,112</u>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

### For the Year Ended 31 December 2023

	2023	2022
Note	\$	\$
<b>Cash flows from operating activities:</b>		
Receipts from customers	4,443,386	2,876,298
Payments to suppliers and employees	(4,133,753)	(2,280,508)
Interest received	38,317	7,794
Interest and other costs of finance	(8,235)	-
Net GST recovered/(paid)	(58,944)	(125,462)
<b>Net cash generated by operating activities</b>	<b>280,771</b>	<b>478,122</b>
16		
<b>Cash flows from investing activities:</b>		
Proceeds from sale of plant and equipment	21,818	-
Payments for property, plant and equipment	(62,877)	(12,404)
<b>Net cash used in investing activities</b>	<b>(41,059)</b>	<b>(12,404)</b>
<b>Cash flows from financing activities:</b>		
Amounts advanced from related parties	2,687,412	3,077,050
Repayments of loans to related parties	(2,900,000)	(2,787,894)
Repayment of lease liabilities	(24,914)	-
<b>Net cash (used in) /generated by financing activities</b>	<b>(237,502)</b>	<b>289,156</b>
<b>Net increase in cash and cash equivalents held</b>		
Cash and cash equivalents at beginning of year	884,607	129,733
<b>Cash and cash equivalents at end of financial year</b>	<b>886,817</b>	<b>884,607</b>
6		

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

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## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 1 Summary of Material Accounting Policy Information

Southern Cross Campus Services Limited ("the Company") is a not-for-profit company incorporated in Australia and a controlled entity of Southern Cross University.

The registered office of the Company is Military Road, East Lismore NSW 2480.

##### (a) Basis of Preparation

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

- Australian Accounting Standards (AAS) and other pronouncements of the Australian Accounting Standards Board (AASB);
- *Government Sector Finance Act 2018* and the *Government Sector Finance Regulation 2018*; and
- *Australian Charities and Not-for-profit Commission Act 2012* and Section 60-40 of the *Australian Charities and Not-for-profit Commission Regulations 2022 (ACNC Regulation)*.

The significant accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated. The financial statements are based on historical costs.

The financial statements were authorised for issue by the directors of Southern Cross Campus Services Limited on 11 April 2024.

##### *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 Southern Cross Campus Services Limited's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

- Measurement and recognition of employee benefits provisions (Note 12)
- Impairment of trade and other receivables (Note 7)
- Estimated useful life assessments of property, plant and equipment assets (Note 9)
- Measurement and recognition of right-of-use assets and lease liabilities (Notes 9 and 10)

##### *Functional and presentation currency*

The Company's financial statements are presented in Australian dollars.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 1 Summary of Material Accounting Policy Information (continued)

##### (a) Basis of Preparation (continued)

###### *Going concern*

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

A letter of unconditional financial support has been provided by Southern Cross University, the Company's ultimate parent entity. The parent entity will support the Company financially to ensure the Company can pay its debts as and when they fall due.

##### (b) Comparative Amounts

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

##### (c) Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

##### (d) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

##### (e) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but do not expect any impact on the reported position or performance of the Company.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2 Revenue and Other Income

	Note	2023 \$	2022 \$
<b>Revenue</b>			
Student accommodation		2,327,778	1,277,537
Interest		38,317	7,794
Membership and miscellaneous sales		914,787	762,857
Facilities hire revenue		37,982	18,450
Catering revenue		786,410	654,562
<b>Total revenue</b>		<b>4,105,274</b>	<b>2,721,200</b>
<b>Other Income</b>			
Forgiveness of related party loan	18	-	1,112,670
Net gain on disposal of plant and equipment		17,206	-
<b>Total other income</b>		<b>17,206</b>	<b>1,112,670</b>

#### Accounting policy

##### Revenue from contracts with customers

The core principle of AASB 15 *Revenue from Contracts with Customers* is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

##### Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

###### (i) Rendering of services

Revenue from rendering of services is recognised over time in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided as the customer receives and uses the benefit simultaneously.

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 2 Revenue and Other Income (continued)

##### Accounting policy (continued)

##### (ii) Sale of goods

Revenue from the sale of goods is recognised at the point of delivery to the customer as this is deemed to be the point in time when the performance obligation is satisfied.

##### (iii) Membership and Residential Accommodation revenue

Membership and residential accommodation revenue is recognised as income in the year of receipt, except to the extent that revenue relates to future periods. Such periods (or portion thereof) are treated as contract liabilities in the statement of financial position.

#### 3 Employee Related Expenses

	2023	2022
Note	\$	\$
Salaries	762,723	644,394
Superannuation	83,477	53,278
Payroll tax	46,294	38,596
Workers compensation	1,707	(2,032)
Long service leave	16,303	(6,557)
Annual leave	21,410	7,061
<b>Total employee related expenses</b>	<b>931,914</b>	<b>734,740</b>

#### 4 Impairment of assets

Impairment of trade receivables	7	13,335	23,432
<b>Total impairment of receivables</b>		<b>13,335</b>	<b>23,432</b>

##### Accounting Policy

When a trade receivable is uncollectible, the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within 'impairment expense'. Subsequent recoveries of amounts previously written off are credited to 'other revenue' in the statement of profit or loss and other comprehensive income.

#### 5 Other expenses

Audit fees, bank charges, insurance & taxes	78,290	68,045
Fees and charges	17,116	18,947
Non-capitalised equipment & maintenance	55,063	43,284
Property & facility costs	2,152,038	1,320,208
Travel, entertainment & staff development	6,143	5,757
Other expenses	165,943	89,322
<b>Total other expenses</b>	<b>2,474,593</b>	<b>1,545,563</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 6 Cash and cash equivalents

	2023	2022
	\$	\$
Cash at bank and on hand	886,817	884,607
<b>Total cash and cash equivalents in the statement of financial position and cashflows</b>	<b>886,817</b>	<b>884,607</b>

#### Accounting policy

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

#### 7 Trade and other receivables

##### Current

Trade and other receivables	116,964	242,798
Less: Allowance for expected credit losses	(39,179)	(25,844)
	<b>77,785</b>	<b>216,954</b>
<b>Total current trade and other receivables</b>	<b>77,785</b>	<b>216,954</b>

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 30 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.

#### Movements in the provision for impaired receivables are as follows:

At 1 January	25,844	-
Provision for expected credit losses	11,133	23,432
Recovered	2,202	2,412
<b>At 31 December</b>	<b>39,179</b>	<b>25,844</b>

#### Impairment

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

#### 8 Inventories

##### Current

Food and beverage stock - at cost	5,805	3,803
<b>Total current inventories</b>	<b>5,805</b>	<b>3,803</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 8 Inventories (continued)

##### Accounting policy

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

#### 9 Property, plant and equipment

	2023	2022
	\$	\$
<b>Plant and equipment</b>		
At cost	122,184	202,607
Accumulated depreciation	(44,219)	(179,143)
<b>Total plant and equipment</b>	<u>77,965</u>	<u>23,464</u>
<b>Motor vehicles</b>		
At cost	5,312	28,248
Accumulated depreciation	(2,656)	(20,980)
<b>Total motor vehicles</b>	<u>2,656</u>	<u>7,268</u>
<b>Right-of-use asset (Equipment)</b>		
At cost	190,223	-
Accumulated depreciation	(28,533)	-
<b>Total right-of-use asset (equipment)</b>	<u>161,690</u>	<u>-</u>
<b>Total property, plant and equipment</b>	<u><u>242,311</u></u>	<u><u>30,732</u></u>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 9 Property, plant and equipment (continued)

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

	Plant and Equipment	Motor Vehicles	Right-of-Use Asset (Equipment)	Total
	\$	\$	\$	\$
<b>Year ended 31 December 2022</b>				
Opening net book value	17,341	7,268	-	24,609
Additions	12,404	-	-	12,404
Disposals	-	-	-	-
Depreciation expense	(6,281)	-	-	(6,281)
<b>Closing net book amount</b>	<b>23,464</b>	<b>7,268</b>	<b>-</b>	<b>30,732</b>
<b>Year ended 31 December 2023</b>				
Opening net book value	<b>23,464</b>	<b>7,268</b>	-	<b>30,732</b>
Additions	<b>62,877</b>	-	<b>190,223</b>	<b>253,100</b>
Disposals	-	<b>(4,612)</b>	-	<b>(4,612)</b>
Depreciation expense	<b>(8,376)</b>	-	<b>(28,533)</b>	<b>(36,909)</b>
<b>Closing net book amount</b>	<b>77,965</b>	<b>2,656</b>	<b>161,690</b>	<b>242,311</b>

#### Accounting policy

All property, plant and equipment is stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation is calculated using the straight-line method to allocate their cost, over their estimated useful lives, as follows:

Class of Asset	Useful life (yrs)
Plant and Equipment	5 - 10
Motor Vehicles	3 - 10
Right-of-use asset (Equipment)	5

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 10 The Company as Lessee

##### (a) Nature of leasing activities as a lessee

In 2023, the Company entered into a 5-year lease for plant and equipment due to expire in 2028.

##### (b) Amounts recognised in the Statement of Profit or Loss and Other Comprehensive Income

	2023	2022
	\$	\$
Interest on lease liabilities	8,235	-
<b>Total</b>	<b>8,235</b>	<b>-</b>

##### (c) Maturity analysis - undiscounted contractual cash flows

Less than one year	44,277	-
One to five years	143,900	-
More than five years	-	-
<b>Total undiscounted lease payments receivable</b>	<b>188,177</b>	<b>-</b>
Future finance charges	(22,868)	-
<b>Lease liabilities recognised in the statement of financial position</b>	<b>165,309</b>	<b>-</b>
<b>Current lease liabilities</b>	<b>44,042</b>	<b>-</b>
<b>Non-current lease liabilities</b>	<b>121,267</b>	<b>-</b>
	<b>165,309</b>	<b>-</b>

##### (d) Accounting Policy

At inception of a contract, the Company assesses whether a lease exists.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however, where this cannot be readily determined, the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.



## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 11 Trade and other payables

	2023	2022
Note	\$	\$
<b>Current</b>		
Trade payables	331,213	491,047
GST payable	84	964
Related party payables	18(c) 76,568	289,156
<b>Total current trade and other payables</b>	<b>407,865</b>	<b>781,167</b>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

#### Accounting policy

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

#### 12 Provisions

##### Current provisions expected to be settled wholly within 12 months

##### Employee benefits

Annual leave	15,641	19,427
Long service leave	4	-
	<b>15,645</b>	<b>19,427</b>

##### Current provisions expected to be settled wholly after more than 12 months

##### Employee benefits

Annual leave	6,820	6,295
	<b>6,820</b>	<b>6,295</b>

##### Total current provisions

<b>22,465</b>	<b>25,722</b>
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##### Non-current provisions

##### Employee benefits

Long service leave	4,090	3,175
	<b>4,090</b>	<b>3,175</b>

##### Total non-current provisions

<b>4,090</b>	<b>3,175</b>
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##### Total provisions

<b>26,555</b>	<b>28,897</b>
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## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 12 Provisions (continued)

##### Accounting policy

Where the Company has no right to defer the payment of employee benefits beyond 12 months, these are classified as current provision.

##### *i) Wages and salaries*

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

##### *ii) Annual leave and sick leave*

A current liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

##### *iii) Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as 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. An actuarial assessment is performed every year and gives consideration 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 Commonwealth government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### *iv) Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after balance date are discounted to present value.

#### 13 Other Liabilities

	2023	2022
	\$	\$
<b>Current</b>		
Security deposits	156,709	145,787
<b>Total current other liabilities</b>	<b>156,709</b>	<b>145,787</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 14 Contract liabilities

	2023	2022
	\$	\$
<b>Current</b>		
Income received in advance	106,663	78,067
<b>Total current contract liabilities</b>	<u>106,663</u>	<u>78,067</u>

#### 15 Retained earnings

Retained earnings/(Accumulated losses) at the beginning of the financial year	103,461	(1,064,567)
Net surplus for the year	248,651	1,168,028
<b>Retained earnings at end of the financial year</b>	<u>352,112</u>	<u>103,461</u>

#### 16 Cash flow information

##### Reconciliation of net income for the year to net cash generated by/(used in) operating activities

Net surplus for the year	248,651	1,168,028
Non-cash flows in net result:		
Forgiveness of related party loan	-	(1,112,670)
Depreciation expense	36,910	6,281
Net (gain)/loss on disposal of non-current assets	(17,206)	-
Impairment of trade receivables	13,335	23,432
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	125,834	(231,792)
(Increase)/decrease in inventories	(2,002)	7,950
(Increase)/decrease in other assets	(1,212)	(1,283)
Increase/(decrease) in trade and other payables	(160,715)	428,469
Increase/(decrease) in provisions	(2,342)	(18,286)
Increase/(decrease) in other liabilities	10,922	145,787
Increase/(decrease) in contract liabilities	28,596	62,206
<b>Cash flows generated from operating activities</b>	<u>280,771</u>	<u>478,122</u>

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 17 Key Management Personnel Disclosures

##### (a) Directors

The names of directors of Southern Cross Campus Services Limited who held office during the year are:

Paul Deegan  
 Professor Les Christidis  
 Allan Morris  
 Travis Walker

The above persons have been in office since the start of the year unless otherwise stated.

##### (b) Directors and responsible officers' remuneration

No income is paid or payable, or otherwise made available, to board members by the Company in connection with the management of affairs of the Company.

The independent board member, Paul Deegan, is external to the Company and is not remunerated. The remaining board members and responsible officers are remunerated by the Company's ultimate parent entity, Southern Cross University.

#### 18 Related Parties

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

##### (a) Ultimate Parent Entity

The Company is a wholly owned subsidiary of its ultimate parent entity, Southern Cross University.

##### (b) Transactions with related parties

The following transactions occurred with related parties:

	2023	2022
	\$	\$
<b>Parent</b>		
Catering services	37,080	16,011
Facilities hire and other costs	(408,475)	(297,200)
Forgiveness of related party loan	-	1,112,670

## Notes to the Financial Statements

### For the Year Ended 31 December 2023

#### 18 Related Parties (continued)

##### (c) Balances to related parties

The parent entity, Southern Cross University, meets expenses of the Company that are processed through inter-entity loan accounts with the University. These are treated as payments and receipts for the purpose of the statement of cash flows. The balance of these transactions at the end of the reporting period are:

	Note	2023 \$	2022 \$
<b>Current</b>			
Amount payable to:			
Ultimate parent entity	11	<u>76,568</u>	289,156
<b>Total current balances to related parties</b>		<u><u>76,568</u></u>	<u>289,156</u>

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

##### (d) Related party services not recognised

Southern Cross University provides the Company with a range of administrative, technology and other support services at no cost.

#### 19 Remuneration of Auditors

##### Audit of the Financial Statements:

Fees paid to the Audit Office of NSW		<u>23,070</u>	21,966
<b>Total remuneration of auditor</b>		<u><u>23,070</u></u>	<u>21,966</u>

#### 20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2023 (31 December 2022: None).

#### 21 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.



## INDEPENDENT AUDITOR'S REPORT

### Southern Cross Campus Services Limited

To Members of the New South Wales Parliament and Members of Southern Cross Campus Services Limited

### Opinion

I have audited the accompanying financial statements of Southern Cross Campus Services Limited (the Company), which comprise the Directors' Financial Declaration, the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2023, the Statement of Financial Position as at 31 December 2023, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a Statement of Material Accounting Policy Information and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2018* (GSF Regulation)
- presents fairly the Company's financial position, financial performance and cash flows
- 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 Regulations 2022*

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).

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

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 2023 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.

### **Director's Responsibilities for the Financial Statements**

The Directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and the *Australian Charities and Not-for-Profits Commission Act 2012*. The Director's responsibility also includes 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](http://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 black ink, appearing to read 'Min Lee', with a stylized, cursive script.

Min Lee  
Director Financial Audit

Delegate of the Auditor-General for New South Wales

17 April 2024  
SYDNEY





To the Directors

Southern Cross Campus Services Limited

### **Auditor's Independence Declaration**

As auditor for the audit of the financial statements of Southern Cross Campus Services Limited for the year ended 31 December 2023, 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.

A handwritten signature in black ink, appearing to be 'Min Lee'.

Min Lee  
Director Financial Audit

Delegate of the Auditor-General for New South Wales

17 April 2024  
SYDNEY

## Southern Cross University Annual Report 2023

### Locations:

#### Lismore

Military Road Lismore  
NSW 2480 Australia

#### Coffs Harbour

Hogbin Drive Coffs Harbour  
NSW 2450 Australia

#### Gold Coast

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