



THE UNIVERSITY OF
SYDNEY

Annual Report 2021

The University of Sydney
NSW 2006

April 2022

The Honourable Sarah Mitchell, MLC
Minister for Education and Early Learning
52 Martin Place
SYDNEY NSW 2000

Dear Minister,

The Senate of the University of Sydney has the honour of presenting to you, in accordance with the *Annual Reports (Statutory Bodies) Act 1984 No 87* and the *Annual Reports (Statutory Bodies) Regulation 2015*, the report of the proceedings and financial statements of the University of Sydney for the year ended 31 December 2021.

Yours sincerely,



Belinda Hutchinson AC
Chancellor



Professor Mark Scott AO
Vice-Chancellor and Principal



THE UNIVERSITY OF SYDNEY

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Year in review

The University's top priority throughout 2021 was protecting the health, safety and wellbeing of our student and staff community during the COVID pandemic. While Australia's borders remained closed for almost the entire 12 months, our students and staff once again pivoted with great agility and resilience to daily life dominated by remote learning and teaching – Zoom meetings, lectures and tutorials. We were delighted to be able to deliver some in-person teaching in Semester 1, and to host 9000 students and guests at in-person graduation ceremonies in April. Unfortunately, the prolonged lockdown from June radically disrupted our plans for more on-campus activities for Semester 2.

Our researchers shone during these dark times, working closely with health services and governments to support Australia's response to the pandemic. University scientists won three of the five Prime Minister's Prizes for Science, including the top prize, which went to Professor Eddie Holmes for his work to publish the genome of COVID and trace the origins of the virus. There were many other key contributors – Professor Julie Leask guided the media and public through vaccination and public health information and understanding why people don't get vaccinated, and in July Professor Mikhail Prokopenko and a team of researchers produced modelling that found the level of social distancing in Sydney was inadequate. In the days after the modelling was released, the NSW Government tightened restrictions.

We also made some pleasing advancements in diversity and inclusion. In gender equity we reduced the pay gap between men and women by 3.7 percent from 2019 to 2021 (11.4 percent to 7.7 percent), according to Workplace Gender Equality Agency reporting. For the first time, the University achieved Gold Status in the annual Australian Workplace Equality Index, reflecting our ongoing commitment to being an employer and University of choice for people of diverse sexualities and genders. The launch in March of our *One Sydney, Many People 2021–24 Strategy* heralded a new era in our continuing engagement with Aboriginal and Torres Strait Islander people and communities.

It was also a year of significant leadership transition, with Professor Mark Scott joining the University as our 27th Vice-Chancellor on 19 July and initiating a process to develop the University's vision and strategy for the next decade. Prior to this Professor Stephen Garton served with distinction as interim Vice-Chancellor from January to July, leading the University's response to COVID and progressing critical initiatives, including our work addressing modern slavery and our Sustainability Strategy.

We continued to invest in the future of our campus and facilities to enable world-class teaching and research. Staff and students from multiple health disciplines moved into the state-of-the-art Susan Wakil Health Building and we achieved practical completion of the Engineering Technology Precinct building. We continued to expand our presence in Western Sydney and Westmead – in Semester 1 University teaching began in our dedicated space in Block K of Westmead Hospital (the Central Acute Services Building).

Despite disruptions from COVID, enrolments remained strong in 2021 and we begin 2022 in a strong financial position. We were thrilled to finish up the year with several more on-campus graduation celebrations and by welcoming the first chartered planes of international students back to Sydney.

We owe our deepest and most sincere thanks to our brilliant and committed staff and students, our generous donors, who have continued to invest in research and education, and everyone else in our broader community who has contributed to this result, in difficult circumstances.



Belinda Hutchinson AC
Chancellor



Professor Mark Scott AO
Vice-Chancellor and Principal

The University of Sydney 2021 Annual Report

Statutory Report

As Australia's first university – founded in 1850 – the University of Sydney has a proud history of global leadership in education and research and inspiring people from all backgrounds to contribute to positive real-world change. We're a world-renowned teaching and research institution – our research combines the expertise and talents of scholars from many disciplines.

A history of thinking forward

We make lives better by producing leaders of society and equipping our people with leadership qualities so they can serve our communities at every level. Through learning, critical analysis and active contribution to public debate, we help to shape Australia's national and international agenda. Find out more at sydney.edu.au

Our charter

The University of Sydney was incorporated by the Parliament of New South Wales on 1 October 1850, making it the first university to be established in Australia. For details of the University's principal function, under the *University of Sydney Act 1989*, please visit page 4.

Aims and objectives

As a leader in tertiary education, we have been challenging traditions for more than 160 years. We were one of the first universities in the world to admit students solely on academic merit. We aim to create and sustain a university in which, for the benefit of both Australia and the wider world, the brightest researchers and the most promising students from all social and cultural backgrounds can thrive and realise their full potential.

In creating the first university in Australia, our founders recognised the power of education to change society. We hold that belief just as strongly today.

Management and structure

Senate

The Senate is the governing authority of the University, with functions conferred on it by the *University of Sydney Act 1989* (as amended). The Senate oversees all major decisions concerning the conduct of the University, including staff appointments and welfare, student welfare and discipline, financial matters and the University's physical and academic development.

Composed of 15 Fellows and chaired by the Chancellor, the Senate awards all degrees and diplomas and is responsible to the Parliament of New South Wales. The Vice-Chancellor and Principal and the Chair of the Academic Board are both ex officio members of the Senate.

Academic Board

The Academic Board, which reports to the Senate, is responsible for safeguarding the quality of the University's academic activities. It is an elected body that includes staff and student representation from across the University's academic communities.

The Academic Board provides advice to the Senate and the Vice-Chancellor on all academic matters, including their relationship to the University's strategic priorities and policies, the conditions of appointment and employment of academic staff, the approval of new and revised courses, and the maintenance of academic standards.

Executive management

The Vice-Chancellor is the principal administrative officer, or chief executive, of the University and has line management responsibility for the Provost and Deputy Vice-Chancellor and a number of deputy vice-chancellors and vice-principals who, with the Vice-Chancellor and other leadership staff, comprise the University's leadership team.

The Vice-Chancellor chairs the University Executive – the University's senior leadership team – which includes the faculty deans. The University Executive is representative of the University's diverse academic and administrative communities and is accountable to the Senate for the academic and financial health of the University.

For more information about our governance and structure, visit: sydney.edu.au/about-us/governance-and-structure.html

Principal activities

Under section 6 of the *University of Sydney Act 1989* (as amended), the object of the University is the promotion, within the limits of the University's resources, of scholarship, research, free enquiry, the interaction of research and teaching, and academic excellence.

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

- the provision of facilities for education and research of university standard
- the encouragement of the dissemination, advancement, development and application of knowledge, informed by free enquiry
- 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
- 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 enquiry
- 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.

The University has other functions, as follows.

- The University may exercise commercial functions comprising the commercial exploitation or development, for the University's benefit, of any facility, resource or property of the University or in which the University has a right or interest (including, for example, study, research, knowledge and intellectual property and the practical application of study, research, knowledge and intellectual property), whether alone or with others.
- The University may develop and provide cultural, sporting, professional, technical and vocational services to the community.
- The University has such general and ancillary functions as may be necessary or convenient for enabling or assisting the University to promote the object and interests of the University, or as may complement or be incidental to the promotion of the object and interests of the University.

- The University has such other functions as are conferred or imposed on it by or under this or any other Act.
- The functions of the University may be exercised within or outside the state, including outside Australia.

University officers as at 31 December 2021

CHANCELLOR

Belinda Hutchinson AC
BEc Sydney, FCA

DEPUTY CHANCELLOR

Richard Freudenstein
BEc LLB (Hons) Sydney

VICE-CHANCELLOR

Professor Mark Scott AO (from 19 July 2021)
BA DipEd MA Hon DLitt Sydney, MPA Harvard,
Hon DBus UNSW, Hon DUniv UTS, FAICD, FRSN
Professor Stephen Garton AM was Vice-Chancellor
from 15 December 2020 until 18 July 2021 inclusive

SENIOR DEPUTY VICE-CHANCELLOR

Professor Stephen Garton AM (19 July
2021 to 31 December 2021)
BA Sydney PhD UNSW, FAHA FASSA FRAHS FRSN

PROVOST AND DEPUTY VICE-CHANCELLOR

Professor Annamarie Jagose (from 11 October 2021)
PhD Wellington, FAHA

DEPUTY VICE-CHANCELLORS

Deputy Vice-Chancellor (Education)

Professor Philippa Pattison AO
PhD Melbourne, FASSA

Deputy Vice-Chancellor (Indigenous Strategy and Services)

Professor Lisa Jackson Pulver AM
MPH GradDipClinEp PhD Sydney, MA Deakin

Deputy Vice-Chancellor (Research)

Professor Duncan Ivison
BA McGill MSc PhD LSE, FAHA

PRO-VICE-CHANCELLORS

Pro-Vice-Chancellor (Academic Excellence) and Pro-Vice-Chancellor (Education – Enterprise and Engagement)

Professor Richard Miles
BA Lpool PhD Camb, FSA

Pro-Vice-Chancellor (Global Engagement)

Professor Kathy Belov AO
BSc (Hons) PhD Macquarie

Pro-Vice-Chancellor (Research – Enterprise and Engagement)

Professor Julie Cairney
BMetEng UNSW, PhD UNSW

Pro-Vice-Chancellor (Educational Innovation)

Professor Adam Bridgeman
BA Oxford PGCE Birmingham PhD Cambridge

Pro-Vice-Chancellor (Research)

Professor Laurent Rivory
BVSc PhD Queensland

Pro-Vice-Chancellor (Student Life)

Professor Susanna Scarparo
PhD Auckland PFHEA

Pro-Vice-Chancellor (University Schools) (until 10 October 2021)

Professor Annamarie Jagose
PhD Wellington, FAHA

Pro-Vice-Chancellor (Medicine and Health)

Professor Robyn Ward AM
FAHM FRACP MBBS (Hons 1) PhD UNSW

Pro-Vice-Chancellor Indigenous (Academic) (from October 2021)

Professor Jennifer Barrett
PhD UTS

VICE-PRINCIPALS**Vice-Principal (Advancement)**

Rosalind Ogilvie
BA LLB *Melbourne*

Vice-Principal (External Relations)

Tania Rhodes-Taylor
BA OU MBA UCL PGDIP Marketing *CIM*

Vice-Principal (Operations)

Stephen Phillips
BCom *Wits*

Vice-Principal (Strategy)

Rebecca Murray
BA MSocSc *UON*

General Counsel

Richard Fisher AM
MEc UNE LLB *Sydney*

Chair of the Academic Board

Professor Anthony (Tony) Masters
BSc (Hons) *Melbourne* PhD *ANU*, FRACI CChem GAIDC

Secretary to the Senate

David Pacey
BBus GradCertMgmt GradDipBus *CSU*

Faculty and University school leadership as at 31 December 2021

Faculty deans

Faculty of Arts and Social Sciences
Professor Lisa Adkins (Interim Dean from 11 October 2021)
BA (Hons) *Sussex*, PhD *Lancaster*

Professor Annamarie Jagose was Dean from
1 January 2017 to 10 October 2021 inclusive

The University of Sydney Business School
Professor Gregory Whitwell
BEc (Hons) *Monash* PhD *Melbourne*

Faculty of Engineering
Professor Willy Zwaenepoel
PhD *Stanford*, FACM, FIEEE

Faculty of Medicine and Health
Professor Robyn Ward AM
FAHM FRACP MBBS (Hons 1) PhD *UNSW*

Faculty of Science
Professor Iain Young
BSc (Hons) PhD *Aberdeen*

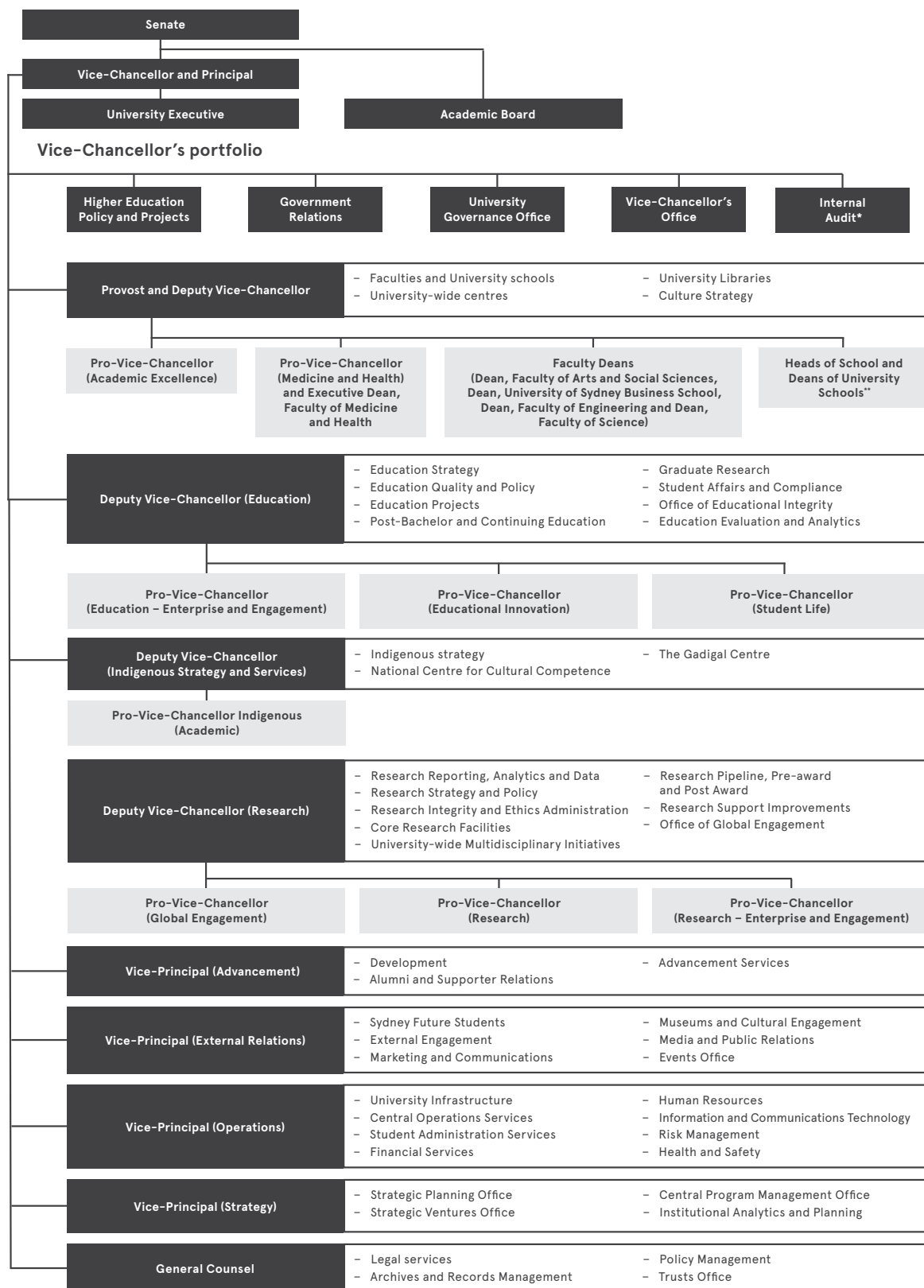
Heads of school and deans of University schools as at 31 December 2021

The University of Sydney School of
Architecture, Design and Planning
Professor Robyn Dowling
BEc (Hons) *Sydney* MA, PhD *Brit Col*

Sydney Conservatorium of Music
Professor Anna Reid
BMus *Sydney* MEd *UNE* PhD *UTS*

The University of Sydney Law School
Professor Simon Bronitt
LLB *Bristol* LLM *Ca*

University of Sydney organisational structure as at 31 December 2021



* Internal Audit has a reporting line to the Vice-Chancellor and Principal but the Office of General Counsel manages its daily activities.

** These roles include the following: Head of School and Dean, University of Sydney School of Architecture, Design and Planning; Head of School and Dean, the Sydney Conservatorium of Music and Head of School and Dean, the University of Sydney Law School.

University of Sydney Senate 2021

The Fellows of the Senate of the University of Sydney present their report on the consolidated entity consisting of the University of Sydney and the entities it controlled at the end of, or during, the year ended 31 December 2021.

The role of the Senate

The Senate is the governing authority of the University, with functions conferred on it by the *University of Sydney Act 1989* (as amended). The Senate oversees all major decisions concerning the conduct of the University, including staff appointments and welfare, student welfare and discipline, financial matters and the University's physical and academic development.

The Senate can report that the University is compliant with the Voluntary Code of Best Practice for the Governance of Australian Universities.

In 2021, Senate:

- continued to oversee the University's response to the evolving COVID-19 pandemic situation with agile and stable decision making aligned to advice from NSW Health
- acknowledged the shift in societal trends driven by the pandemic and set out a vision to support continuing and lifelong learning opportunities for graduates across their careers by endorsing the launch of a suite of fully online award courses
- continued to support the transformation of the student experience offering both an online and on-campus learning platform
- observed safety, health and wellbeing-related matters and monitored related risks arising from the activities and operations of the University and provided additional support to students as a result of the pandemic, including the COVID e-Gate entry screening system, which combines contract tracing information and temperature screens
- established a free pop-up vaccination clinic in the University's Great Hall
- launched the Sydney Manufacturing Hub, a \$25 million manufacturing-focused research facility that will work alongside industry to deliver cutting-edge R&D in additive manufacturing and materials processing, in the Engineering precinct of the University's Darlington Campus

- signed a partnership with New York University (NYU) to allow students to study together, share courses and participate in a student exchange program, with the aim of creating an immersive international experience for the University's students
- welcomed the announcement by NSW Government that the University of Sydney will work with the University of Technology Sydney to lead the establishment of the state's Connectivity Innovation Network, to enhance better telecommunication outcomes for the nation
- oversaw long-term business model sustainability
- made significant progress on cross-university collaborations and faculties, moving towards a more consistent approach to the sharing of information across the University
- saw the performance of the Multidisciplinary Initiative Program grow, one of the four major pillars in the University's research strategy and a key differentiating aspect of its research and engagement profile in the sector
- signed a five-year partnership with the NSW Government to streamline collaboration on research opportunities and attract investment.

Fellows of Senate

As at 31 December 2021

Chancellor

Belinda Hutchinson AC BEc *Sydney*, FCA
Current term as Chancellor:
4 February 2017 – 3 February 2025

Deputy Chancellor

Richard Freudenstein BEc LLB (Hons) *Sydney*
Current term as Deputy Chancellor:
1 April 2020 – 31 March 2022

Vice-Chancellor and Principal

Professor Mark Scott AO BA DipEd MA Hon DLitt *Sydney*, MPA *Harvard*, Hon DBus *UNSW*, Hon DUniv *UTS*, FAICD, FRSN
Current term as Vice-Chancellor: 19 July 2021– current

Professor Stephen Garton AM served as Vice-Chancellor from 15 December 2020 until 18 July 2021

Chair of the Academic Board

Associate Professor Anthony (Tony) Masters BSc (Hons) *Melbourne* PhD *ANU*, FRACI CChem GAICD
Current term as Chair of Academic Board:
1 January 2020 – 31 December 2021

Two external persons appointed by the Minister for Education

Richard Freudenstein (Deputy Chancellor) BEc LLB (Hons) *Sydney*
Current term as Fellow of Senate:
1 December 2021 – 30 November 2025

Dr Lisa McIntyre
BSc (Hons) *Sydney*, PhD *CAM*, GAICD
Current term as Fellow of Senate:
16 August 2017 – 30 November 2023

Five external persons appointed by the Senate

Jason Yat-sen Li
BA LLB (Hons) *Sydney* LLM *NYU*
Current term as Fellow of Senate:
1 December 2021 – 30 November 2025

Kate McClymont AM
BA (Hons) *Sydney*
Current term as Fellow of Senate:
1 December 2021 – 30 November 2023

Karen Moses
BEc *Sydney*
Current term as Fellow of Senate:
1 December 2021 – 30 November 2023

Emeritus Professor Alan Pettigrew
BSc (Hons) *Sydney*, PhD *Sydney* FAICD
Current term as Fellow of Senate:
9 May 2019 – 30 November 2023

Peter Scott
BE (Hons) *Monash*, MEngSc *UNSW*, HonFIEAust MICE
Current term as Fellow of Senate:
1 December 2019 – 30 November 2023

Two persons elected by and from the academic staff

Associate Professor Maryanne Large
BSc (Hons) *Sydney*, PhD *Trinity*
Current term as Fellow of Senate:
1 June 2021 – 31 May 2023

Professor Renae Ryan (since 1 June 2021
– Professor Stephen Simpson AC was
Fellow of Senate until 31 May 2021)
BSc (Hons) PhD *Sydney*, GAICD
Current term as Fellow of Senate:
1 June 2021 – 31 May 2023

One person elected by and from the non-academic staff

Dave Burrows
BA *Sydney*
Current term as Fellow of Senate:
1 June 2021 – 31 May 2023

One person elected by and from the undergraduate students

Gabrielle (Gabi) Stricker-Phelps
BEc *Sydney*
Current term as Fellow of Senate:
1 December 2020 – 30 November 2022

One person elected by and from the postgraduate students

Lachlan Finch
BA *Sydney*
Current term as Fellow of Senate:
27 October 2020 – 30 November 2022

Register of Interests

In accordance with Schedule 2A of the Act, Senate Fellows and members of Senate Committees have a duty to disclose any material interest to a meeting of Senate or a Senate Committee. Where a Fellow or a member has a material interest in a matter being considered or about to be considered at a meeting of the Senate or of a Senate Committee, and the interest appears to raise a conflict with the proper performance of the Fellow or member's duties in relation to the consideration of the matter, the Fellow or member must, as soon as possible after the relevant facts have come to the Fellow or member's knowledge, disclose the nature of the interest at a meeting of the Senate or of a Senate Committee.

Senate also collects and reports on any Related Party Transactions undertaken by the University and a Fellow or committee member.

Senate makes available a register of those declared interests and transactions online at: sydney.edu.au/about-us/governance-and-structure/governance/senate/register-of-interests.html

Senate committees

Senate has established the following committees to assist it with the exercise of its functions, effective from 1 January 2021.

- Building and Estates Committee
- Finance Committee
- Finance Investment Subcommittee
- People and Culture Committee
- Risk and Audit Committee
- Honorary Awards Committee
- Nominations Committee

The table below records attendance for committees that operated in 2021. For more information, visit sydney.edu.au/about-us/governance-and-structure/governance/senate/senate-committees.html

Attendance by Fellows at Senate and its committees in 2021

Position	Name	Senate			BEC			FC			FC IS			PCC			RAC			HAC			NOM		
		A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C
Chancellor	Belinda Hutchinson AC	7	7	7	5	5	5	8	8	8	4	4	4	5	5	5	6	6	6	2	2	2	1	1	1
Deputy Chancellor	Mr Richard Freudenstein	7	7	7	5	5	1	8	8	4	4	4	3	5	5	4	6	6	3	2	2	2	1	1	1
Vice-Chancellor	Professor Mark Scott AO (*)	7	3	3	5	2	2	8	4	4	4	1	1	5	3	3	6	2	2	2	1	1	1	0	0
Vice-Chancellor	Professor Stephen Garton AM (=)	7	4	4	5	3	3	8	4	4	4	3	2	5	2	2	6	4	4	2	1	1	1	1	1
Pro-Chancellors	Ms Kate McClymont AM	7	7	7										5	5	4				2	2	2			
	Emeritus Professor Alan Pettigrew	7	7	7										5	5	5	6	6	6				1	1	1
	Jason Yat-sen Li (%)	7	7	7										5	5	4	6	6	6						
	Dr Lisa McIntyre (%)	7	7	7	5	5	4	8	8	7	4	4	3										1	1	1
Chair of Academic Board	Professor Tony Masters	7	7	7	5	5	4							5	5	5				2	2	2	1	1	1
Fellows	Dave Burrows	7	7	7	5	5	4																		
	Lachlan Finch	7	7	6				8	8	6	4	4	4												
	Associate Professor Maryanne Large	7	7	7				8	8	6															
	Karen Moses	7	7	7	5	5	2	8	8	8	4	4	3				6	6	6						
	Gabrielle Stricker-Phelps	7	7	7	5	5	4																		
	Peter Scott	7	7	7	5	5	5	8	8	8													1	1	1
	Professor Stephen Simpson AC (^)	7	3	3													6	2	2						
	Professor Renae Ryan (#)	7	4	4													6	4	4	2	2	2			

A No. of meetings held, B No. of meetings eligible to attend, C No. of meetings attended
BEC Building and Estates Committee, FC Finance Committee, FC IS Finance Investment Subcommittee, PCC People and Culture Committee, RAC Risk and Audit Committee, HAC Honorary Awards Committee, and NOM Nominations Committee.

(*) New Fellow of Senate commenced 19 July 2021
(=) No longer a Fellow of Senate from 18 July 2021
(%) Appointed as Pro-Chancellor from 1 June 2021
(^) No longer a Fellow of Senate as at 30 May 2021
(#) New Fellow of Senate commenced 1 June 2021

Strategy and operations

The University prioritised the health, safety and wellbeing of its staff and student community in 2021, but also made important inroads into realising its long-term strategic priorities and preparation for a new 10-year Strategic Plan.

Response to COVID-19 pandemic

Our focus shifted from the crisis management mode that punctuated much of 2020 to a business-as-usual approach in the pandemic response, with an emphasis on building the framework for a safe return to campus for as many staff and students as possible. At all times our overarching priority was protecting the health, safety and wellbeing of our staff and students.

Semester 1, 2021 saw large lectures delivered online, with 80 percent of all units of study having a face-to-face component as tutorials, labs, workshops, seminars, and other small group activities returned to campus. During this period the vast majority of our international students were unable to enter Australia, due to ongoing Australian Government border closures. In response to those restrictions and some hesitancy about in-person activities among domestic students, the University gave students the flexibility to study in either on-campus or remote mode for the duration of Semester 1. As a result, just over 50 percent of all students had an on-campus experience in the first semester.

One of the highlights of this period was the return of in-person graduation ceremonies, with more than 3000 students and 6000 guests attending COVID-safe, in-person graduation ceremonies on campus in April.

Semester 2, 2021

The NSW Government announcement in June of a lockdown – in response to a worsening outbreak of the Delta variant of COVID-19 – significantly impacted plans for more activity on campus in Semester 2, and the University implemented remote learning and working-from-home arrangements. Throughout the prolonged lockdown, students and staff were able to come to campus if it was unsafe or impossible for them to study or work at home, and COVID-safe protocols were followed for all research and teaching.

As part of the University's compliance with government public health orders, more than 400 QR codes were put in place across all buildings on campus, to facilitate contact tracing. We implemented many other measures to protect the health and safety of our staff and student community and enhance vaccination

rates, including the establishment of a pop-up vaccination clinic in the Great Hall. For the duration of Semester 2, most teaching and exams for semester 2 remained online, with a small number of in-person classes resuming.

Support for staff and students

Staff wellbeing and support for those staff affected by the lockdown and home schooling was once again among the University's top priorities in 2021. Ongoing communications throughout the lockdown provided staff and managers with support to ensure ongoing performance and to mitigate any disruptions, and we continued to offer free confidential counselling services and access to staff wellbeing networks to those who needed them. Late in the year the University provided a one-off 'COVID recognition payment' of \$2000 to all our permanent and fixed-term staff and to casual staff members who had worked three or more pay periods in Semester 2. This payment was granted to recognise their remarkable and sustained service in trying circumstances. Eligible staff were those who commenced employment on or before 1 September 2021 and were employed at 2 December 2021. Members of the University Executive were not eligible for this payment.

Support for our students was also a high priority throughout the lockdown – the impact on our students was profound. In addition to an online remote learning hub, which went live in May 2021 to support students' academic progress, peer connections and health and wellbeing, students accessed a range of support services to stay safe and connected:

- The University's counselling service registered more than 150 new clients each month through the lockdown.
- More than 1200 students in financial need received a \$1000 bursary.
- 1500 students became registered users of the TalkCampus app – an online peer-to-peer mental health and wellbeing support network.
- More than 2000 students registered for the VSydney Study Connect program, an online program that connects students from the same faculties into study groups, supported by Peer Support Advisors.
- More than 7800 students accessed the Learning Hub's Academic Language & Learning programs, which boost students' academic, research and study skills and provide learning support for those studying remotely.

In addition, across 2021, many students took advantage of our suite of one-on-one support services. For example, peer support advisors held 395 1:1 Zoom calls with students to help with specific enquiries and wellbeing support needs and they answered thousands of individual email enquiries from students offshore and/or preparing to arrive in Sydney.

For more information about our support services for online study, visit: sydney.edu.au/students/remote-support.html

Securing the return of offshore international students remained a key focus for the University throughout the year. A collaborative effort between the tertiary education sector and the government for a coordinated arrival program saw international students arrive on chartered flights in Sydney from early December.

Planning for Semester 1, 2022

Late in 2021 the University set in place plans for a reinvigorated campus in 2022, with a focus on welcoming back offshore and onshore international students, as well as vaccinated domestic students, to life on campus that was as close to normal as possible. At the same time, we will continue to provide a high level of support for students who remain overseas in 2022.

Curriculum and student experience

EDUCATION PRIORITIES

Student experience

Despite the pandemic disruption, the University continued to deliver initiatives to enhance the student experience. We made improvements in the relational aspects of students' overall experience under the Co-Curricular Framework, developed in collaboration with students to promote opportunities for social and intellectual engagement beyond the classroom.

Work has substantially advanced on delivering enhanced support for students' academic and social transition through the curriculum, embedding meaningful transition activities into designated first-year undergraduate units.

A change program in Student Support Services created a new Office of Student Life with dedicated wellbeing, learning support, student advising and enabling teams committed to ongoing delivery of consistent and quality services and advice to students.

Postgraduate education and microcredentialling

Our new Postgraduate Strategy, approved in 2021, sets out a vision for a new approach to postgraduate education with increasing diversity in mode of delivery and type of qualification and an accompanying uplift in institutional capacity in this area.

In 2021 we developed an operating model that will be implemented in 2022 to support institution-wide delivery of non-award short courses and micro-credentials. This model aims to create a portfolio of accessible, flexible and professionally relevant educational opportunities that address local and regional labour market needs and tackle emerging global challenges.

Supporting education

The University continued to improve professional development and resources available to our academic staff, to enhance students' learning experiences. Intensive and adaptive delivery of the Modular Professional Learning Framework – which is designed to build individual capacity for quality learning and teaching, and support staff involved in university teaching – was critical to the success of the University's rapid transition to online learning and teaching and it has also driven increasing rates of staff completions.

We completed design and development work to build a digital version of our University handbooks as well as improve processes for developing and approving course information. The current 14 print-style handbooks will be replaced in 2022-23 by a connected, modern, and relatable view of the curriculum that is easily accessed via a single search page. In parallel with the handbook revamp, we designed new curriculum management processes and end-to-end life cycle administration. These changes will support staff through improving the way that course information is developed and approved.

Industry and Community Project Units (ICPUs)

Industry and Community Project Units (ICPUs) engage groups of interdisciplinary undergraduate students with leading Australian and international organisations to work on complex problems. 2021 saw 2219 students at the 3000 and 4000 level from across the University complete 46 projects with 38 different industry partners.

This program connects with the University's wider industry engagement strategy, working across industry to tackle some of the biggest problems facing society. In 2021 our students worked on projects such as climate resilience for NSW, wider access to higher education and creating smart cities.

The University trialled a hybrid delivery model, which was particularly successful with our recent partnership with Tata India – it saw 34 interdisciplinary students work on the complex problem of 'Providing Sustainable Energy Solutions in India' remotely, through regular video conferencing.

Global mobility

Outbound mobility opportunities were again limited by COVID-19 and the resulting border closures, however the University continued to support virtual global experiences and in-country experiences for our international students who were unable to return to Australia. The University remains committed to reaching the goal for 50 percent of students to have a global mobility experience as part of their award course, with an enhanced focus on increasing participation of underrepresented cohorts. Student travel for global mobility experiences is expected to resume in mid-2022.

Note: The University had the largest outbound student mobility program in Australia (36%) based on the AUIDF Learning Abroad Benchmarking 2019 (in 2020).

Research performance

2021 was another challenging year due to the impact of COVID, but our academic community still delivered significant research achievements.

Highly cited research

Twenty-nine University of Sydney academics were recognised as Highly Cited Researchers by Clarivate Analytics. These researchers are among the most cited in their scientific field – the top one percent worldwide.

Research grants and fellowships

Sydney research received significant funding from the Australian Research Council (ARC), National Health and Medical Research Council (NHMRC) and the Department of Health's Medical Research Future Fund (MRFF) in 2021.

The ARC awarded a total of \$73 million for 120 grants and fellowships, including:

- 9 Future Fellowships – \$8.6 million
- 3 Australian Laureate Fellowships – \$9.5 million
- 22 Discovery Early Career Researcher Awards (DECRA) – \$9.1 million
- 67 Discovery Projects, the highest success rate and funding in the Group of Eight universities – \$30 million
- 1 Discovery Indigenous – \$1.4 million
- 12 Linkage Projects – \$5.7 million
- 1 Industrial Transformation Research Hub (Intelligent Robotic Systems for Real-Time Asset Management) – \$5 million
- 5 Linkage Infrastructure, Equipment and Facilities grants – \$3.7 million

The NHMRC awarded a total of \$105 million for 70 grants, including:

- 34 Investigator Grants – \$51 million
- 18 Ideas Grants – \$16 million
- 4 NHMRC Centres of Research Excellence (Better Outcomes in Inflammatory Arthritis; Partnering with patients with chronic kidney disease to transform care and outcomes; Wiser healthcare: better value care for all Australians; Early Prevention of Obesity in Childhood) – \$10 million
- 4 Partnership Projects – \$4.8 million
- 5 Clinical Trial Cohort Studies – \$10.5 million
- 2 Synergy Grants – \$10 million
- 1 International Collaborations grant – \$1 million
- 2 Development Grants – \$1.6 million

Between November 2020 and December 2021 the Medical Research Future Fund (MRFF) awarded more than \$58 million for 29 projects, including:

- \$12 million to increase the collaboration, coordination, and efficiency in conducting clinical trials in child and youth mental health in Australia
- \$1.5 million to fast-track human trials of a single-dose vaccine targeting new COVID-19 variants

At the end of 2021, Sydney had been awarded the second highest amount of MRFF funding for the year, and a cumulative total of \$167 million since the Fund's inception.

A culture of research excellence

Research support model

Implementation of a new integrated research services model across the University progressed well in 2021 and included establishment of a Research Service Desk to offer our research community triaged support. The new model delivers a holistic approach to supporting researchers' pre- and post-award activities. Grant rounds submitted since its implementation have shown increases in successful outcomes and funding.

Research partnerships and impact

Sydney is committed to finding new pathways to maximising our research impact through collaboration with other universities around Australia and the world, as well as with industry, community and government partners. 2021 highlights include:

- Trialling the world's first complete automated robotic system for recycling soft plastics with Sydney-based recycling provider IQ Renew. A Cooperative Research Centre Project grant supports the trial, in preparation for a national rollout of the technology over a three-year period.
- Developing in just three months a prototype sensor system for the Royal Australian Air Force at the University of Sydney Nano Institute's Jericho Smart Sensing Lab. The MANTIS system mimics the brain's neural architecture to deliver high-tech sensing technology for the Australian Defence Force.
- Inventing a new cryogenic control chip set to enable a transformational scaling up of quantum computing at the Microsoft Quantum Laboratory.
- Australia's Mental Health Think Tank accelerated to meet the evolving COVID-19 landscape in 2021, releasing the nation's first holistic overview of the mental health impacts of COVID-19, and resultant policy measures. The Think Tank is supported by the BHP Foundation and led by the University's Matilda Centre, working closely with the Sydney Policy Lab, Brain and Mind Centre and mental health leaders around Australia.
- Modelling for the Australian Housing and Urban Research Institute, which revealed Indigenous regional and remote communities will experience the impacts of climate change earlier and disproportionately compared with most urban Australian settings, and examined the changes required to deliver positive health and wellbeing outcomes for householders now and in the future.
- The Sydney Knowledge Hub, a research commercialisation initiative and industry co-location hub on our Darlington Campus, is now

home to 24 researcher-led start-ups and innovative businesses collaborating with the University.

Member organisations brought \$4.1 million in research income to the University and member start-ups raised more than \$7.2 million in funding.

- Sydney scientists were awarded three of the top four Prime Minister's Prizes in 2021, recognising outstanding contributions to Australian research and innovation: Professor Edward Holmes received the Prize for Science for his transformative role in the scientific response to COVID-19. Professor Tony Weiss received the Prize for Innovation for pioneering research and commercialisation of synthetic tropoelastin-based biomaterials, which accelerate and improve tissue repair and reduce healing time for burns and wounds. Associate Professor Michael Bowen received the Prize for New Innovators for research into the discovery and development of KNX100, which is being developed to treat opioid-use disorder.

For details about our rankings performance, see page 17.

COVID-19 research

Throughout the pandemic, our researchers have been shaping public policy responses and keeping our local and global communities informed. The Brain and Mind Centre's advanced modelling of linkages between social and economic changes and mental-health outcomes soon after the pandemic's outbreak led to several policy changes in 2020-21. This modelling has been globally recognised as a leading innovation in mental health and extended through the World Economic Forum Global Future Council on Mental Health. Other contributions included:

- leading an expert taskforce focused on Australia's pandemic recovery that is determining how best to return to an open, cohesive and prosperous society
- helping us understand vaccine hesitancy and how to overcome it
- providing insights on wide-ranging issues, from how the virus spreads to its impact on children
- modelling the scope of social distancing and vaccination required to control the spread of COVID-19.

The University awarded more than \$4 million to support the completion of 138 competitively funded or commissioned research projects that had been severely impacted by COVID-19 delays and uncertainties over 2020-21.

SOAR Prizes

Twenty-two up-and-coming research leaders from across the University were awarded Sydney Research Accelerator (SOAR) Prizes in 2021. The cohort included our first Aboriginal or Torres Strait Islander scholar to receive this prize. Recipients benefit from a bespoke two-year program focused on building their careers by increasing the scale and impact of their research, including \$50,000 a year to support their research, innovation and career development plans.

Equity Prizes

Equity Prizes support individuals with promising research trajectories that could be accelerated with additional support. Academics whose research careers had been disrupted by COVID-19 were particularly encouraged to apply in 2021, and 19 prizes were awarded to colleagues with disabilities or significant carers' responsibilities, as well as women aspiring to leadership roles. Recipients benefit from an individually tailored 12-month career development program, mentoring and focused time for research development.

Commercialisation of research

Our innovation ecosystem remained strong and generated significant commercialisation activity in 2021. During the year, 135 inventions were disclosed and five spin-off companies created, of which we continue to hold equity in three. The University closed 42 commercial deals, with another 30 commercial prospects in the pipeline. Highlights included:

- Developing the world's first long-range, high-rate WiFi system that allows wireless signals to travel several kilometres – without dropping out or experiencing lag – while carrying more data. Enabled by a NSW Physical Sciences Fund grant, the system will benefit industries that rely on low latency and high data transmission.
- Battery tech company Gelion became the first University of Sydney spin-out to list on a stock exchange. The company was listed on the London Stock Exchange Alternative Investment Market at the end of November.

Knowledge Commercialisation Australia's 2021 Survey of Commercialisation Outcomes from Public Research (SCOPR) found that Sydney leads the country in university spin-out companies; undertook the most licensing, options and assignment deals; regularly rates among the highest number of invention disclosures and, along with other Group of Eight universities, generates significant revenue from work with for-profit

and not-for-profit industry partners. SCOPR enables benchmarking of participating institutions' industry engagement and research commercialisation results relative to the sector.

Foreign interference

Foreign interference occurs when activities are carried out by, or on behalf of, a foreign entity, which lack transparency and are contrary to Australia's sovereignty, values and national interests. During 2021 the University became increasingly alert to foreign interference risks on its campuses and online platforms, and in the conduct of its educational and research activities.

The Deputy Vice-Chancellor (Research) led the University's coordinated response, overseeing a Foreign Interference Coordination Framework and Work Program, which is reviewed and updated annually and approved by the University Executive. As part of this framework, the University began reporting twice yearly to the Senate Risk and Audit Committee on its approach to complying with key national security laws and foreign interference guidelines.

In February, the Attorney General's Department issued a provisional transparency notice under the *Foreign Influence Transparency Scheme Act 2018* stating that the Confucius Institute at the University was a 'foreign government related entity' for the purpose of that Act. The Department subsequently revoked the notice after considering a submission made by the Deputy Vice-Chancellor (Research) in his capacity as Chair of the Institute's Board.

In March, the University appeared before the Federal Parliament's Joint Committee on Intelligence and Security as part of its inquiry into national security risks affecting the Australian higher education and research sector. Giving evidence, we recognised that the security threats Australia faces have become increasingly sophisticated. Our written submission included evidence of the care we are taking to identify and manage relevant risks.

Australia's *Foreign Relations (State and Territory Arrangements) Act 2020* set a deadline of June 2021 for Australian public universities to notify the Minister for Foreign Affairs about their arrangements with foreign governments and non-autonomous foreign universities. The Office of Global Engagement (OGE) notified 269 arrangements to the Minister by the initial deadline. Systems were introduced to ensure

that prospective University agreements with foreign governments and related entities are assessed for notification before execution.

OGE also assumed responsibility for providing a University-wide training program on foreign interference. More than 350 staff took part in an initial series of online workshops, with this program to be expanded in 2022.

In November, the Government released new Guidelines to Counter Foreign Interference in the Australian University Sector, following a review of the inaugural guidelines from 2019, a process in which the University was an active participant. The refreshed guidelines seek to achieve greater consistency in approaches to countering foreign interference across the sector by being more specific and measurable, as well as sharing best practice. From 2022, our approach to managing foreign interference threats will align with the Government's updated guidance.

Engagement

Global engagement

International collaboration connects us with the world's best universities and researchers and is vital for our goal of being one of Australia's top-ranked research-intensive institutions. OGE helps our researchers build successful international collaborations through our 20 global partners and international networks. In 2021 we continued to engage online and held 90 virtual events around the Sustainable Development Goals in collaboration with our priority partners and international networks, including the Association of Pacific Rim Universities (APRU) and the Association of Commonwealth Universities. We hosted the APRU Senior International Leaders Meeting, attended by representatives from the 68 leading research universities in the Asia Pacific region. We continued to work with the Asia Society and the OECD, with whom we have a successful knowledge partnership in the Future of Work engagement group. We facilitated dialogue between researchers and international industry partners and provided support for researchers applying for international funding.

In 2021 OGE delivered a Professional Development Program attended by 78 staff from 17 different institutions across the Asia Pacific region. The sessions drew on the expertise of our own professional staff and covered topics including global engagement and

cultural competence. We also held training sessions for the Sydney Indigenous Research Network and ran funding information sessions for our early- and mid-career researchers.

The Confucius Institute continued to deliver Chinese language classes under a teaching partnership with Fudan University.

Despite the disruption caused by COVID, the quality of published papers with our priority partners continued to improve: projects funded by the Partnership Collaboration Awards had an average Field-Weighted Citation Index of 2.67, considerably higher than the University average of 1.96. In addition, 45.8 per cent of PCA-funded publications appeared in the top 10 per cent of journals worldwide, compared to the University average of 27.3 per cent.

Industry engagement

2021 marked the final year for the University's inaugural External Engagement Strategy. Proactive engagement with existing and potential partners created new collaborations in research and education that support our ambitions for engaged research, education excellence and graduate employability. We delivered a series of thought-leadership events that engaged state and federal government, industry, and the community, and shared the contributions of the University and the higher education sector through numerous industry forums and publications, as well as in the media. In partnership with business associations, we contributed to roundtables and policy recommendations around Australia's global competitiveness, powering back Sydney's economy and unlocking domestic innovation potential.

Brand and research reputation

Demonstrating the impact and excellence of the University's research for our communities in Australia and overseas continues to be a priority within our marketing and communications strategy. This earned us favourable research reputation scores and saw the University move to the global top 70 across the major rankings indices in 2021. While rankings do not comprehensively measure everything the University delivers, they remain an important indicator of quality and prestige for partners and students. They also give us an indication of how others, outside the University, perceive the quality of our research and teaching.

Rankings organisation	Ranking in Australia	Global ranking
Academic Ranking of World Universities (ARWU)	4	69
QS Graduate Employability Rankings	1	4
QS World University Rankings	2	38
Times Higher Education Impact Rankings	1	2
Times Higher Education World University Rankings	5	58
US News & World Report Best Global Universities Rankings	2	28

The University held its brand position as the market leader, with external perceptions, brand footprint and key metrics, including the Net Promoter Score, remaining strong or increasing. Brand connection to leadership was strengthened, demonstrating the University's impact and contribution to the common good. Several highly successful campaigns were launched throughout the year to strengthen and support connections within the University community, including the Stay Strong China and India campaigns and the award-winning #USYDOnline campaign.

In another year dominated by the global pandemic, the University's research and academics have been pivotal in disseminating evidence-based advice to help build collective understanding and resilience. Coverage of this research led to informing public policy on disease transmission and modelling, aged care and mental health. Our stories ignited interest from industry and inspired the community to work with us, forging new collaborations in health, AI, sports science, and others. A strong media footprint was maintained, with a total of 52,000 media mentions reaching a cumulative audience of 758 million, and more than 16,000 items covered in international media. The volume, quality and coverage of the University's research and stories was recognised by the Public Relations Institute of Australia with two prestigious awards, including the 'In-house Media Team of the year'.

Student recruitment and engagement

Connecting with prospective students and markets continued, largely virtually, and was enabled through enhancements to our digital offering and digital communications infrastructure. The University retained, and in some areas grew, international student numbers during the pandemic, attesting to the strength of the brand and quality of the recruitment and online teaching activities.

International diversity remains a key priority. The Sydney International Student Award proved an important tool for encouraging commencements

from diversity markets where COVID-19 has been felt the most. Additionally, through the India Strategy and Sydney Scholars India awards, the University maintained a strong presence in India.

In 2021, 73 new or renewed international agreements were executed that cover education and student mobility, including a comprehensive new study abroad, exchange and co-location agreement with New York University.

As reported in 'Strategy and operations', we planned and implemented the International Arrivals Program, the first of its kind in Australia, that saw international students returning to NSW from December 2021.

In addition, we continued to strengthen our position in the domestic market in 2021, maintaining the largest share of first preferences from students with ATARs in the 90+ band. We aligned our widening participation and recruitment efforts to engage and attract more students from underrepresented cohorts (low socio-economic status, regional, rural and remote, as well as Aboriginal and/or Torres Strait Islander backgrounds), primarily through the Early Offer Year 12 (E12) scheme and the Gadigal Program, which both saw increased enrolments in 2021.

Cultural engagement

Cultural engagement and the value of the University's cultural assets were further strengthened and emphasised to the broader public. The Chau Chak Wing Museum's public programs and schools engagement grew in popularity, as did the Object Based Learning Program, which attracted 17,300 participants and was recognised as the Best Engagement Project in the Museums and Galleries NSW IMAGinE Awards.

The museum's digital engagement reached new heights with an established podcast series and e-newsletter, an active social media presence with 12,500 followers and a growing digital collection that was searched 25,000 times in 2021. The Seymour Centre continued to strengthen community and sector partnerships with Sydney Festival, Yabun Festival, Mardi Gras, Sydney Theatre Company, Sydney Writers Festival, and others. The centre's importance to Sydney's and Australia's arts ecology was echoed by both state and federal arts ministers, with funding awarded from both governments to support artistic programming and provide relief from the pandemic, which saw 55 event cancellations and changes in 2021.

Philanthropy

In 2021, the University received many generous gifts from our network of alumni, donors and friends.

Significant donations include:

- \$1.58 million from the Lonergan Foundation to support facilities for teaching, learning and student life at the University's School of Rural Health, Dubbo.
- Three gifts of \$415,000, \$1.56 million and \$1.05 million from a donor who prefers to remain anonymous for health research projects and the AW Morrow Chair of Medicine.
- Two gifts from the Fund for Jewish Higher Education for the Department of Hebrew, Biblical and Jewish Studies for \$456,000, including for a new Lectureship in Jewish Education.
- \$564,000 from the Yim Family Foundation for the renewal of the Colin Phegan Lectureship and creation of a Barrister in Residence at the Sydney Law School.
- \$1.2 million from Dr Geoffrey Heber and Dr Deborah Davis for research at the Brain and Mind Centre for neurobiological profiling and diagnostics to address youth mental health disorders.
- \$1 million from Dr Katherine Bau Wong for students in financial need undertaking a Doctor of Medicine.
- \$743,000 from Mr David Anstice for gifts to support research in the field of NanoHealth, with a vision to transform how nanotechnology is used in the areas of medicine and health, and a renewal of the Anstice MBA Scholarship in Community Leadership at the University of Sydney Business School, to assist emerging leaders in community organisations.

This year, our alumni and donor community also raised more than \$445,000 for our student bursaries fund.

Funded by several of our visionary donors, the Chau Chak Wing Museum welcomed 88,265 people to its vast, diverse exhibitions in its first year and won three national museum awards. The Susan Wakil Health Building, supported by the largest gift in the University's history – \$35 million from the Susan and Isaac Wakil Foundation – opened in February, bringing together multiple health disciplines to work in the same precinct. In addition, Jeanette Wu's significant gift to purchase essential medical imaging equipment inspired the University to name the 350-seat lecture theatre in the building after Jeanette's mother – the Julie Wu Lecture Theatre.

From our extraordinary and diverse community of more than 400,000 alumni, a growing number of people are active participants in the life of the University. Almost 80,000 alumni connected with our engagement programs in 2021. The breadth of volunteering expanded to more than 90 roles, including citizen science, mentoring, advisory roles, reunion committees, industry placement hosts, and a range of influential speaking opportunities.

The University also marked the 50-year graduation milestone at the annual Golden Graduates event and celebrated the achievements of inspiring alumni at a double ceremony for the 2020/2021 Alumni Awards and Graduate Medal recipients.

Promotion

Throughout 2021 no members of the University executive staff travelled overseas, due to a combination of factors that included the Australian Government's ban on overseas travel from Australia, the high risk of contracting COVID-19 overseas and the University's ongoing commitment to minimise the spread of the virus and protect the health, safety and wellbeing of its community.

Planning for the future

Our 10-year strategy – the University's vision for 2032 takes shape

In the last half of 2021, the Strategy Portfolio began work on the process to deliver the next Strategic Plan, designed to set the University's vision for the 10 years through to 2032. Working with an advisory group comprising the Vice-Chancellor, the Provost and Deputy Vice-Chancellor and the Vice-Principal, Operations, the Vice-Principal, Strategy and the program team defined the questions the University community needed to answer.

These questions were organised into five major themes – Excellence, Our Students, Our People, Our Partners and Communities, and Place and Space. Working groups, led by University Executive members, began meeting to consider these questions and develop the vision for 2032. A plan was developed to ensure the University community of staff and students, as well as our external stakeholders, will have an opportunity to voice their concerns and aspirations, and to provide feedback on the strategies being considered.

An interactive website was developed to manage that engagement in a COVID-safe way, and workshops were run with both the University Executive and the wider University leadership of 150 heads of schools and directors and managers of areas.

Indigenous strategy and Indigenous research *One Sydney, Many People Strategy 2021-2024*

Launched in March 2021 during the uncertainty of COVID-19, *One Sydney, Many People* had a positive, albeit challenging, first year. Work to realise the commitments in the strategy proceeded in phases across two mutually reinforcing elements:

1. *Strategic Initiatives* – A set of 35 initiatives designed to meet the core commitments within *One Sydney, Many People*
2. *Local Implementation Plans (LIPs)* – A series of collaborative approaches to strengthen the impact of the strategy. Authored at the local level, across the University's faculties, schools, and PSUs, the LIPs demonstrate a University-wide commitment to the strategy.

The University Executive Indigenous Strategy and Services (UE-ISS) Committee endorsed a new, governance structure overseeing these two elements. This structure includes clear escalation and advice pathways for stakeholders and decision makers.

The launch of the Gadigal Centre was a significant step in supporting positive outcomes for Aboriginal and Torres Strait Islander students. Located in a dedicated and newly renovated space, the centre is managed and run by a highly experienced Indigenous team that is nearly double the size of the combined Aboriginal and Torres Strait Islander support structures it replaced.

Aboriginal and Torres Strait Islander employment, promotion and progression

The University made important progress in reviewing and reforming Aboriginal and Torres Strait Islander staff opportunities for employment, promotion, and progression. The development of a new Indigenous Employment Strategy commenced, with five trainees expected to join the University in January as a part of a new 2022 traineeship program established in partnership with AFL SportsReady. Further opportunities will arise as the program develops.

Work also commenced on enhancing the University's policy landscape to facilitate community engagement and increase the flow of benefits from the University

to communities. The initial step in this process is developing an Indigenous Procurement Policy, due for implementation in 2022. The University has been working with industry leaders – Supply Nation and the NSW Indigenous Chamber of Commerce – to inform this process and deliver on this strategic initiative.

In October 2021 the University appointed Professor Jennifer Barrett as its inaugural Pro-Vice-Chancellor Indigenous (Academic). As part of a suite of responsibilities, this role is creating a 'community of practice' that fosters a collegiate approach to delivering Aboriginal and Torres Strait Islander student support across the University, supporting enhanced cultural competence in the workforce and Indigenised curricula.

Sustainability Strategy

Despite the ongoing challenges of the pandemic, the University made strong progress in implementing its Sustainability Strategy in 2021. The strategy places sustainability at the heart of our research, education, operations and in the way we care for Country.

Achievements in 2021 – the first full year of implementation – included the following:

- A 'silver' rating for our inaugural submission to the international Sustainability Tracking and Reporting System (STARS), overseen by the Association for the Advancement of Sustainability in Higher Education (AASHE)
- Increased future capacity for sustainability education through Academic Board endorsement of a multidisciplinary undergraduate major in sustainability, to be offered from 2023
- Development of an enhanced approach to sustainability in our investments, taking an integrated approach to environmental, social and governance factors, including climate change, modern slavery and Indigenous rights, with actions through to 2030 focusing on engagement, investment and exclusions
- Increased onsite generation of renewable electricity; in the 12 months to the end of June 2021, the University generated 1.25 megawatt hours of solar electricity on our campuses, up 18 percent from a year earlier
- Approval of a Power Purchase Agreement, to come into effect mid-2022, that locks in renewable electricity provision from a solar farm in NSW
- Installation of an onsite Organics Composting Machine, which from 2022 will turn food

scraps into compost for use on campus. This project is supported by the Environmental Trust as part of the NSW Environment Protection Authority's Waste Less, Recycle More initiative, funded from the waste levy

- New recycling streams, including one for wooden pallets that has saved 4.1 tonnes from landfill so far. The University is also recycling cladding removed from the Law School Annexe and Abercrombie student accommodation buildings, diverting more than 3 tonnes so far from landfill.
- Developing a roadmap to our campuses becoming single-use plastics free
- Increasing 'living lab' activity on our campuses, including the testing of a less environmentally impactful concrete made from fly ash from power stations and recycled crushed glass pavement. The concrete is now used by 16 Sydney metropolitan councils, leading to the diversion of nearly 100 million glass from landfill annually.
- Supporting biodiversity and alignment with the One Sydney, Many People strategy by creating a new Curriculum Garden of 1000 Indigenous plants that will be a resource for students in botany and ecology.

For more information about our work on sustainability, please visit sydney.edu.au/sustainability

Tech Central

The University has long-term ambitions to play a leading role in Sydney's planned innovation and technology precinct, Tech Central. In early 2021 we embarked on an ambitious collaboration with the University of Technology Sydney to anchor and turbocharge Tech Central as a global centre of excellence and home for innovation in digital sciences and technology.

The partnership – called 'Digital Central' – will:

- train digital scientists and engineers, providing critical workforce skills in economic growth areas and delivering the workforce of the future pipeline, in partnership with industry
- deliver world-leading research and outcomes and elevate the reputation of NSW as a leader in digital transformation
- help solve NSW Government and community problems.

Digital Central has two key fields of focus: Data Science and Machine Learning and Robotics and Cyber-Physical Systems.

In April 2021 our Faculty of Engineering launched a new program that is expected to contribute heavily to Tech Central – the Digital Sciences Initiative. This world-class program aims to embed and enhance 21st century digital skills within research and across undergraduate degrees. The initiative will establish multidisciplinary research areas to address some of the world's greatest challenges in health, agriculture, advanced manufacturing and defence.

In December we launched a \$25 million facility to drive innovation and foster industrial output in the heart of Tech Central – the Sydney Manufacturing Hub. The facility is a foundational node for complementary facilities that support the NSW Government's projects at Western Sydney Aerotropolis. Located in the University's Engineering precinct on our Darlington Campus, the research facility will work alongside industry to deliver R&D in additive manufacturing and materials processing.

Sydney Biomedical Accelerator

The University reached an important milestone in its long-term ambitions for sustained research excellence in 2021 with the establishment of the Sydney Biomedical Accelerator (SBA), in collaboration with the Sydney Local Health District (SLHD) and the NSW Government. The SBA will support research collaboration to fast track and translate solutions to some of the world's most pressing problems in healthcare and disease. It will work with our existing multidisciplinary initiatives to make best use of our core research facilities program.

The University has made steady progress on the infrastructure commitments and staffing for SBA activities in 2021. Following the submission of the 2021 Investment Decision Document, SLHD and Health Infrastructure NSW have been invited to submit a Strategic Business Case to the NSW Government in March 2022. SLHD has since committed \$25 million for early and enabling works for Building B and has also commenced work on renovating and establishing an Innovation Hub in Building A to progress the activation of the SBA.

Recruitment for key academic appointments progressed in 2021 and NSW Health, SLHD and the University have selected the Centenary Institute (cancer, inflammation and cardiovascular disease) as a preferred Medical Research Institute partner. Health Infrastructure are undertaking a market sounding to identify industry partners (reporting jointly to the University and SLHD), which will feed into an updated NSW Government business case.

Parramatta/Westmead campus

In 2021 the University's engagement to further advance the planned Parramatta/Westmead campus focused on activities with the NSW Government and other significant stakeholders to progress and implement plans for major investments in the health precinct.

One of our key priorities is expanding our presence in Westmead and Western Sydney. On 1 March the University took a significant step forward when we opened our education spaces in Block K of Westmead Hospital (the Central Acute Services Building) for teaching.

The University's 1.5 floors in the new Westmead Hospital building span more than 5000 sqm and create a new central precinct meeting point for our staff and students at Westmead, supporting greater collaboration and communication.

Key facilities include new social spaces for staff and students, collaborative settings, kitchenettes and an outdoor terrace, as well as formal and informal workplace and learning spaces.

Another notable milestone came in April when the University of Sydney joined a ground-breaking alliance between the City of Parramatta, Western Sydney Local Health District and universities in Sydney's geographical centre to establish Parramatta as a global destination for educational excellence.

Throughout 2021, the University progressed its planning for the future use and development of the Lidcombe campus, with proposals advanced in the third quarter of 2021 to redevelop the campus as a mixed use/health focused precinct or as a school.

Bradfield/Aerotropolis

The University continued contributing to the vision of the Aerotropolis and Bradfield city centre throughout 2021. We participated in land acquisition processes around the airport, contributed to design processes for the Airport's advanced logistics hub, and started industry and community engagement on what are the optimal land uses for our properties in Badgerys Creek and Bringelly.

Academically, we collaborated on the technical design and business case of the Advanced Manufacturing Research Facility (AMRF) first-stage building, which will aim to provide 3D printers, next-generation computing, and interactive spaces purpose built for advanced

manufacturing, aerospace and defence. We were also selected to be on the inaugural New Education and Training Model (NETM) panel and will provide industry-led micro-credentials to residents and businesses of Western Sydney in the areas of agribusiness, logistics, pharmaceuticals manufacturing and aerospace and defence manufacturing.

Campus Improvement Program

The University finished its activities to achieve the major goals of the University's Campus Improvement Program (CIP) 2014-2020 in 2021, with the practical completion of the Engineering Technology Precinct building.

The CIP, which was approved by the NSW Government in 2015, was a concept proposal for the delivery of new buildings, infrastructure, and accessible public domain areas to support world-class teaching and multidisciplinary research, an enhanced student and visitor experience and a more sustainable campus that recognises and celebrates Aboriginal and Torres Strait Islander experience and is easily navigated by staff, students and visitors.

The program produced a host of new building and public domain works that were completed over the six-year period, including the following:

- Faculty of Arts and Social Sciences Building
- Administration Building (renamed the Michael Spence Building in 2021)
- Life, Earth and Environmental Sciences Building
- Chau Chak Wing Museum
- Susan Wakil Health Building
- Queen Mary Student Accommodation Building
- The Regiment Student Accommodation Building
- Abercrombie Student Accommodation Building
- Sydney College of the Arts (SCA) relocation
- Engineering Technology Precinct Building, and
- installation of significant public domain artworks to reflect and celebrate Aboriginal and Torres Strait Islander culture and history.

Work is currently underway on the development of the Campus Improvement Program 2 (CIP2), which will look at the University's future strategic infrastructure priorities. The CIP2 will be determined in close collaboration with the University Executive (UE) and Senate Committees through the development of the University's 2032 Strategy.

Doctor of Medicine degree in Dubbo

The University has a long history of providing medical education in regional areas of NSW, including almost 20 years of delivering education in the Central West region. May 2021 marked a significant milestone in our long-term aspirations to expand and enhance regional education, as applications opened for the Doctor of Medicine – Dubbo stream. This stream enables students to complete their entire Sydney medical degree in Dubbo for the first time, in new purpose-built facilities including anatomy labs and simulation clinics.

The Dubbo program, based at the University's School of Rural Health, is part of the Australian Government's Murray-Darling Medical Schools Network. The network aims to encourage more practitioners to consider a career in rural or remote medical practice by giving students an understanding of rural life, rural communities and rural health services.

Students will be able to undertake remote medicine placements in Western and Far Western NSW and with University partners such as the Royal Flying Doctors Service. It is hoped that the program will also provide a new pathway for better representation of Aboriginal and Torres Strait Islander people in the medical workforce and lead to culturally appropriate care and improved health outcomes for Indigenous Australians.

A culture built on our values

Culture Strategy

In 2021 the Culture Strategy work included delivering leadership development initiatives involving University staff and leaders, a COVID-19 taskforce, the Vice-Chancellor's Awards for Excellence, and a suite of University-wide events and communications.

In addition to leadership development programs and workshops for four different cohorts of staff, the third Dr John Yu Fellowship on cultural diversity and leadership was held in November, in partnership with the University of Sydney Business School.

The University's Chancellor convened the Open Society, Common Purpose taskforce to inquire into how Australia must emerge from the COVID-19 pandemic. The Culture Strategy and Sydney Policy Lab led this work, bringing together academics, business and community leaders. The taskforce commissioned original research papers, held roundtables, community consultations and a summit, and produced a report – Roadmap to Reopening – which received extensive media attention.

In the annual peer-nominated Vice-Chancellor's Awards for Excellence the University recognised 16 teams and 33 individuals who epitomise excellence in teaching, research and service to the community. This year new categories acknowledged outstanding contributions to the University's new Sustainability and One Sydney, Many People strategies.

A University-wide 'Culture Forum' event series, 'Leadership for Good' professional development and speaker series and 'Culture Chat' video series reached more than 12,000 people online and in person.

STUDENT ENROLMENTS*

Undergraduate enrolments by attendance and gender

Domestic/ international	Attendance type	Gender	Enrolments (UG)
Domestic	Full time	Women	12,733
		Others	21
		Men	9,492
	Invalid	Women	0
		Men	0
	Part time	Women	2,170
		Others	7
		Men	1,915
		Domestic total	
International	Full time	Women	7,647
		Others	0
		Men	5,994
	Invalid	Women	0
		Men	0
	Part time	Women	724
		Men	422
International total		14,787	
Grand total		41,125	

Undergraduate enrolments by course level

Domestic/ international	Course type	Enrolments (UG)
Domestic	Bachelor (Graduate Entry)	646
	Bachelor (Honours)	3,339
	Bachelor (Pass)	21,995
	Diploma (Undergraduate/ Associate)	190
	Non-Award (Undergraduate)	110
	Cross-Institutional (Undergraduate)	58
Domestic total		26,338
International	Bachelor (Graduate entry)	122
	Bachelor (Honours)	1,566
	Bachelor (Pass)	12,875
	Diploma (UG/Associate)	1
	Non-Award (Undergraduate)	221
	Cross-Institutional (Undergraduate)	2
International total		14,787
Grand total		41,125

Postgraduate enrolments by attendance and gender

Domestic/ international	Attendance type	Gender	Enrolments (PG)
Domestic	Full time	Women	4,463
		Others	7
		Men	3,190
	Invalid	Women	7
		Men	5
	Part time	Women	4,581
		Others	11
		Men	3,323
	Domestic total		
International	Full time	Women	9,977
		Others	2
		Men	6,524
	Invalid	Women	9
		Men	4
	Part time	Women	1,002
		Men	632
International total			18,150
Grand total			33,737

Postgraduate enrolments by course level

Domestic/ international	Course type	Enrolments (PG)
Domestic	Higher Doctorate	2
	Doctorate (Research)	2,918
	Doctorate (Coursework)	39
	Master (Research)	647
	Master (Coursework)	10,306
	Graduate Diploma	764
	Graduate Certificate	860
	Non-Award (Postgraduate)	38
	Cross-Institutional (Postgraduate)	13
Domestic total		15,587
International	Doctorate (Research)	940
	Doctorate (Coursework)	2
	Master (Research)	169
	Master (Coursework)	16,272
	Graduate Diploma	337
	Graduate Certificate	372
	Non-Award (Postgraduate)	57
	Cross-Institutional (Postgraduate)	1
International total		18,150
Grand total		33,737

Enrolments by faculty of course registration and course level

		Enrolments		Enrolments
Domestic/ international	Faculty of registration	Postgraduate	Undergraduate	
Domestic	University of Sydney Business School	1,345	2,776	4,121
	Faculty of Arts and Social Sciences	2,582	7,275	9,857
	Faculty of Engineering	890	3,576	4,466
	Faculty of Medicine and Health	6,921	3,594	10,515
	Faculty of Science	1,547	6,206	7,753
	Sydney Conservatorium of Music	188	975	1,163
	University of Sydney Law School	1,446	651	2,097
	University of Sydney School of Architecture, Design and Planning	667	1,017	1,684
	University Programs**	1	268	269
Domestic total		15,587	26,338	41,925
International	University of Sydney Business School	9,018	2,429	11,447
	Faculty of Arts and Social Sciences	2,784	4,308	7,092
	Faculty of Engineering	3,226	2,497	5,723
	Faculty of Medicine and Health	1,140	1,048	2,188
	Faculty of Science	521	3,337	3,858
	Sydney Conservatorium of Music	29	40	69
	University of Sydney Law School	559	122	681
	University of Sydney School of Architecture, Design and Planning	818	766	1,584
	University Programs**	55	240	295
International total		18,150	14,787	32,937
Grand total		33,737	41,125	74,862

STUDENT ENROLMENTS BY DIVERSITY GROUPS 2019, 2020 AND 2021

Indigenous and non-Indigenous enrolments				Students with Non-English Speaking Backgrounds (NESB)			
Indigenous indicator	2019	2020	2021	Non English speaking	2019	2020	2021
Indigenous	360	381	443	ESB	38,833	37,797	43,027
Non Indigenous	63,242	60,487	74,419	NESB	24,769	23,071	31,835
Grand total	63,602	60,868	74,862	Grand total	63,602	60,868	74,862

Students with disabilities (enrolments)

Domestic/international	Disability	Disability support services interest	2019	2020	2021
Domestic	Student indicated disability	No support	1,038	1,902	2,249
		Support	1,529	1,370	1,884
	Student indicated no disability	No disability	35,494	34,192	37,792
Domestic total			38,061	37,464	41,925
International	Student indicated disability	No disability	2	0	0
		No support	151	412	384
		Support	299	229	408
	Student indicated no disability	No disability	25,089	22,763	32,145
International total			25,541	23,404	32,937
Grand total			63,602	60,868	74,862

*All statistics in these tables are as at 31 March 2021

**University Programs include enrolments in exchange and study programs, other non-award courses and enabling courses

Other issues

Freedom of speech and academic freedom

University of Sydney Attestation Statement

The University's commitment to free inquiry and academic debate is stated in our Charter of Freedom of Speech and Academic Freedom (Charter), which took effect on 1 January 2020. The Charter underpins our response to the Model Code recommended by former High Court Chief Justice, the Hon. Robert French AC, following his review of 2019. Other key policies upholding these foundational principles include the Student Charter 2020, Staff and Affiliates Code of Conduct 2021 and University Events Planning and Management Policy 2021.

In December 2020, Emeritus Professor Sally Walker AM evaluated the University's response to the Model Code as fully aligned and exemplary. Professor Walker recommended a small number of changes she thought would further strengthen the University's Charter. We will respond to those recommendations once the courts have determined the outcome in the matter of the *NTEU and Anderson v University of Sydney*.

During 2021, 144 policies were amended or added to the University's Policy Register. Of these, three required substantive clauses or amendments to ensure alignment with the Charter: Acceptable Use of ICT Resources Policy 2019; Staff and Affiliates Code of Conduct 2021; University Events Planning and Management Policy 2021.

In March, we publicly welcomed the passage of the Higher Education Support Amendment (Freedom of Speech) Bill 2020 (Cth), designed to further strengthen protections for academic freedom and freedom of speech in Australia's universities.

In April, we modified our complaint management system to create a new complaint type, Freedom of Speech/Academic Freedom, to allow closer monitoring and reporting on complaints of this type. Five complaints received in 2021 included a complaint in this category. These complaints were, or are being, managed in accordance with our complaints procedures and the Resolution of Complaints Policy 2015, with the outcomes reported to the University's Senate each quarter. For more information about the University's response to other complaints received, see pages 34 and 35.

In May, we signed the Magna Charta Universitatum 2020, a refreshed declaration of the fundamental principles on which universities are based: free inquiry

and debate; the integration of teaching and research; and institutional autonomy.

In August, the University became a founding member of the Australia Section of Scholars at Risk, a global network of universities and associations who work to promote academic freedom by protecting threatened scholars.

During the year we introduced training for teaching staff to help them facilitate and manage difficult classroom conversations consistently with the principles in our Charter and Student Charter.

While COVID-19 lockdowns brought on-campus events and activities to a halt for much of the year, we took the opportunity to clarify and strengthen our events policies and processes, ensuring alignment with the Charter. We continued to engage regularly with our affiliated student representative bodies about the importance of freedom of speech, particularly to ensure that any protests occur safely and in accordance with both our policies and applicable NSW Government public health orders.

Over the course of the year, 70 percent of respondents to a question in our student life survey indicated that they agreed that the University is a place where diverse ideas and views can be freely expressed. We are considering including the same question in staff surveys in 2022.

Outcomes of employee payments review

In response to the University's self-declared issues with payment of employee entitlements, the Employee Payments Review program continued to focus on two streams of activity – remediation payments to staff members who were underpaid, and implementation of people, process and technology controls to support correct payments to staff going forward.

Remediation payments were made to current staff to cover the period from January 2014 to November 2020, and the University communicated with identified former staff impacted, making payments to this cohort progressively. The total value of wage underpayments made over this review period was \$12.75 million, representing 0.2 percent of all payments made to staff during this period. Further remediation payments, covering the period since November 2020, will be calculated and paid once the implementation of controls has been completed.

A series of controls to reduce the risk of underpayments were designed and implemented, including enhancements to the University payroll system, education of staff and managers on Enterprise Agreement entitlements and obligations, improved timesheet review and approval processes, and enhanced compliance reporting for managers.

The University continued to co-operate with the Fair Work Ombudsman, and to keep staff and unions informed of progress. Regular updates were shared with staff on the University's progress on remediation payments and changes to work practices required to support correct payment in the future.

Modern slavery

Modern slavery is a serious violation of dignity and human rights and includes exploitative practices such as human trafficking, slavery, servitude, forced labour, debt bondage and forced marriage. The University of Sydney is committed to respecting human rights and is taking meaningful action to address the global human rights issue of modern slavery.

Under the *Modern Slavery 2018 Act* (Cth) the University is required to prepare and publish an annual statement on steps taken to identify and address the risks of modern slavery in its operations, supply chains and investments. In 2021, the University's inaugural Modern Slavery Statement (2020) was approved by Senate and submitted to the Department of Home Affairs in May 2021.

Incorporating the UN Guiding Principles on Business and Human Rights, our efforts throughout 2021 focused on understanding modern slavery risks and developing a clear policy and due diligence framework for identifying and addressing modern slavery. In practice this means:

- undertaking detailed risk assessments across our supply chain
- engaging with our high-risk suppliers through the University's third-party assessment platform on modern slavery and sustainability
- identifying potential risks in our research partnership, education placements and collaborations; and
- updating our internal policies, procedures and governance practices to flag and address potential risks.

Equally important has been raising awareness among our University community. In 2020 we launched our Anti-Slavery Awareness training module for all staff. Developed in partnership with Anti-Slavery Australia, the module had been completed by more than 8700 staff by the end of 2021. Similarly, our bespoke Anti-Slavery Student Awareness module launched in 2020 has provided our students with tailored information on how to identify modern slavery risks often faced by young people in Australia and where to seek support. More than 7500 students have voluntarily completed this module. These are important first steps. However, we recognise that much remains to be done, and we are committed to staying the course and making a meaningful contribution to eradicating modern slavery.

Legal change

COVID-19 related legislation and orders

Public health orders introduced in 2020 under the *Public Health Act 2010* continued to be amended on a rolling basis in 2021 to accommodate the changing COVID-19 situation in NSW, requiring ongoing review and advice. After an initial contraction in scope in early 2021, significant new restrictions were introduced following the Delta outbreak in July 2021, including working from home orders, travel restrictions, mask wearing and vaccination requirements for workers in various sectors, such as construction, early education and schools, health and aged care. These orders significantly impacted the University's activities, particularly the delivery of face-to-face teaching activities and the conduct of student placements at third party sites. The orders also limited access for unvaccinated people to various facilities, such as museums, sporting facilities and hospitality, retail and entertainment venues, which required a rapid operational response.

Higher Education Support Amendment (Job Ready Graduates and Supporting Regional and Remote Students) Act 2020

The Australian Government's Job-ready Graduates Higher Education Reform Package passed Parliament on 19 October 2020. While most of the package's measures commenced in January 2021, a few significant changes will take effect from January 2022. These include provisions that will, unless special circumstances apply, see commencing domestic students lose access to Commonwealth support if they have not successfully completed at least 50 percent of their units of study by the end of first year. Another new provision with implications for the University's students and postgraduate coursework offerings is the reintroduction of the Student Learning Entitlement (SLE). This limits the amount of study a domestic student can undertake in a Commonwealth Supported Place (CSP) in their lifetime. From January 2022, all domestic students are entitled to *Ordinary SLE* of seven equivalent full-time study years. *Additional SLE* will be available to enable students to complete honours and specified postgraduate coursework qualifications, while all eligible students will accrue three years of *Lifelong SLE* from 1 January 2032, or 10 years after first enrolling in a course with a CSP.

Children's Guardian Act 2019

The University is required to report under the 'Reportable Conduct Scheme' introduced by the *Children's Guardian Act 2019* (NSW), which has been applied to universities from 1 March 2020. On 1 September 2021 the University adopted the Working with Children and Vulnerable Adults Policy 2021, which specifies reporting requirements for anyone who receives or becomes aware of an allegation of reportable conduct while undertaking or supervising child-related work at or on behalf of the University.

Security Legislation Amendment (Critical Infrastructure) Act 2021

The *Security Legislation Amendment (Critical Infrastructure) Act 2021* (Cth) implemented phase one of urgent amendments to the *Security of Critical Infrastructure Act 2018* (Cth). Amendments are phased to address complex and evolving risks to Australian critical infrastructure. Sectors covered by the legislation are expanded to 11 and include the university sector. This phase enacts mandatory notification of significant cyber security events and empowers the Commonwealth to intervene in an enterprise's IT infrastructure to defend against an extreme cyber security event. Phase 1 impacts minimally on universities. A watching brief will be maintained in respect of Phase 2 and the issue of sector-specific rules.

Amendments to Fair Work Act 2009

In March 2021, amendments to the *Fair Work Act 2009* (Cth) took effect, following the introduction of the *Fair Work Amendment (Supporting Australia's Jobs and Economic Recovery) Act 2021* (Cth). The amendments include a definition of casual employment and a casual conversion mechanism. Most significantly, the University now has a statutory obligation to offer permanent employment to casual employees who have been employed for at least 12 months; for at least the last six months, have worked a regular pattern of hours on an ongoing basis; and, that regular pattern of hours could continue to be worked on a permanent full-time or part-time basis, without significant adjustment.

Allegations concerning contract security providers

In August 2021, the University reported formally to the Independent Commission Against Corruption on implementation of its response to the Commission's corruption prevention recommendations contained in its May 2020 report: *Investigation into the over-payment of public funds by the University of Sydney for security services* ('Operation Gerda'). The Commission commended the University for its response and advised that it would not be pursuing these matters further as all recommendations had been implemented.

Ridd v James Cook University [2021] HCA 32

In October 2021, the High Court of Australia unanimously dismissed an appeal by Dr Peter Ridd, a former academic who was dismissed for serious misconduct by James Cook University (JCU). The Court found that rights under the intellectual freedom clause in the JCU Enterprise Agreement were not qualified by each and every obligation within the JCU Staff Code of Conduct, in particular a requirement to afford respect and courtesy to others. However, the clause did not preclude Dr Ridd from having to comply with confidentiality obligations. Whilst the High Court emphasised the importance of intellectual/academic freedoms, it did not suggest they were absolute academic rights. If the intellectual/academic freedom clause in an applicable enterprise agreement contains clear and express qualifications to the exercise of that freedom, whether by reference to standards of conduct reflected in a Code of Conduct or otherwise, that qualification will be legally effective.

Human resources

HR-related policies and practices

The new Staff and Affiliates Code of Conduct 2021 was launched in March following extensive consultation throughout the broader University community. The Code is a key component of the University's ethical framework. It contributes to a University culture built on our values and establishes the expected standards of conduct for those who work for the University or contribute to its work. It sets the bar for behaviour that will guide all members of the University community to conduct themselves in a professional, fair, transparent and ethical manner. The Code applies to all staff and affiliates, including consultants and independent contractors, honorary titleholders and anyone who sits on a University committee or board.

The Recruitment and Appointment Policy 2021, which came into effect in February, was designed to improve the way we recruit talent at the University. Under the policy, all recruitment and appointments processes are initiated, managed and approved in Workday, the University's new HR management system. This has enabled the application, selection and appointment processes to be streamlined, improving the recruitment experience for candidates, selection committees and delegates. The policy also introduced eligibility lists to fill vacant roles that require the same or similar skills and capability, smaller selection committees for some professional staff roles, and more robust practices for pre-employment checks.

A new Working with Children and Vulnerable People Policy 2021 came into effect in September, reflecting the University's commitment to integrity and the health and wellbeing of children and vulnerable people involved in University activities. The policy requires a risk assessment and approval process before running a child-related program, robust practices for identifying and managing child-related roles; and stringent working with children check practices. A new roles and responsibilities section clearly articulates accountability for working with children compliance. The policy includes new working with children procedures for staff, affiliates and students; and training modules for people working in or managing child-related roles.

Enterprise bargaining

The University's Enterprise Agreement 2018-2021 nominally expired on 30 June 2021. On 28 May 2021 the University of Sydney, the National Tertiary Education Union (NTEU) and the Community and Public Sector Union (CPSU) agreed to commence bargaining for the

next enterprise agreement. Both unions subsequently provided their log of claims to the University, and the University provided staff and the unions with a proposal for the next Enterprise Agreement. Bargaining meetings commenced in August, with 10 meetings held during 2021. Staff were updated on progress after each meeting. Negotiations are due to resume in early 2022.

Strategic talent acquisition and strategic hires

The University appointed a number of key senior executive leaders in 2021, including Professor Mark Scott AO as Vice-Chancellor and Principal, Ms Leah Hill as Chief Faculty Experience Officer, Professor Julie Cairney as the substantive Pro-Vice-Chancellor (Research - Enterprise and Engagement), Professor Annamarie Jagose as Provost and Deputy Vice-Chancellor; Professor Jennifer Barrett as Pro-Vice-Chancellor, Indigenous (Academic); and Olivia Perks as General Counsel (replacing the long-serving Richard Fisher).

As part of the University commitment to leadership succession planning we also appointed interim leaders in the following key roles in 2021: Professor Lisa Adkins as Interim Dean of the Faculty of Arts and Social Sciences and Professor Adam Bridgeman as Interim Deputy Vice-Chancellor (Education). Professor Bridgeman was appointed following the retirement of Professor Pip Pattison.

Staff level and salary ranges as at 31 March 2021

Academic staff

Level E and above	\$210,617+
Level D	\$163,505 - \$180,128
Level C	\$135,793 - \$156,579
Level B	\$110,856 - \$131,639
Level A	\$78,143 - \$105,305

Professional staff (35-hour week)

HEO 10 and above	\$135,944+
HEO 9	\$127,176 - \$134,190
HEO 8	\$109,663 - \$123,674
HEO 7	\$97,975 - \$106,738
HEO 6	\$89,759 - \$96,764
HEO 5	\$78,077 - \$87,420
HEO 4	\$72,234 - \$76,323
HEO 3	\$63,473 - \$70,482
HEO 2	\$60,550 - \$62,306
HEO 1 and below	<=\$58,799

Combined totals of academic and professional staff positions 2017-21 by appointment term and gender

	2017			2018			2019				2020			2021			
	Women	Men	Total	Women	Men	Total	Women	Men	Non-binary / Undis-closed	Total	Women	Men	Total	Women	Men	Non-binary / Undis-closed	Total
Continuing	2262	1976	4238	2397	2002	4399	2383	2021	0	4404	2527	2046	4573	2515	1960	0	4475
Fixed term	1945	1287	3232	2165	1381	3546	2409	1451	0	3860	2439	1519	3958	2251	1406	0	3657
Total**	4207	3263	7470	4562	3383	7945	4792	3472	1	8265	4966	3565	8531	4766	3366	13	8145

Academic staff positions 2017-21 by appointment term, level and gender

	2017			2018			2019				2020			2021			
	Women	Men	Total	Women	Men	Total	Women	Men	Non-binary / Undis-closed	Total	Women	Men	Total	Women	Men	Non-binary / Undis-closed	Total
Continuing																	
Level E & above	125	283	408	133	305	438	125	317	0	442	147	311	458	139	299	0	438
Level D	150	257	407	161	250	411	170	245	0	415	191	260	451	182	232	0	414
Level C	230	253	483	219	260	479	232	249	0	481	234	249	483	218	235	0	453
Level B	189	174	363	182	169	351	187	170	0	357	205	179	384	187	165	0	352
Level A	36	33	69	36	28	64	44	26	0	70	40	24	64	37	18	0	55
Subtotal	730	1000	1730	731	1012	1743	758	1007	0	1765	817	1023	1840	763	949	0	1712
Fixed term																	
Level E & above	80	175	255	84	177	261	95	173	0	268	100	182	282	115	166	0	281
Level D	62	83	145	74	88	162	72	89	0	161	74	88	162	74	85	0	159
Level C	132	95	227	131	96	227	143	98	0	241	137	89	226	153	109	0	262
Level B	237	184	421	292	203	495	311	230	0	541	299	233	532	257	232	0	489
Level A	329	316	645	355	316	671	356	317	0	673	350	351	701	306	302	0	608
Subtotal	840	853	1693	936	880	1816	977	907	0	1884	960	943	1903	905	894	0	1799
Total**	1570	1853	3423	1667	1892	3559	1735	1914	1	3650	1777	1966	3743	1668	1843	3	3514

Professional staff positions 2017-21 by appointment term, level and gender

	2017			2018			2019				2020			2021			
	Women	Men	Total	Women	Men	Total	Women	Men	Total		Women	Men	Total	Women	Men	Non-binary / Undis-closed	Total
Continuing																	
HEO 10 & above	145	117	262	156	128	284	169	142	311		196	142	338	197	142	0	339
HEO 9	105	106	211	133	103	236	139	96	235		133	86	219	152	92	0	244
HEO 8	212	167	379	231	156	387	215	157	372		210	150	360	217	140	0	357
HEO 7	278	186	464	311	187	498	309	183	492		330	192	522	334	201	0	535
HEO 6	433	189	622	432	201	633	404	197	601		435	190	625	421	186	0	607
HEO 5	204	107	311	240	109	349	229	131	360		246	162	408	273	162	0	435
HEO 4	88	49	137	100	49	149	95	57	152		99	55	154	103	53	0	156
HEO 3	38	47	85	43	47	90	46	44	90		42	40	82	44	31	0	75
HEO 2	22	8	30	14	9	23	17	7	24		15	6	21	7	4	0	11
HEO 1 & below	7	0	7	6	1	7	2	0	2		4	0	4	4	0	0	4
Subtotal	1532	976	2508	1666	990	2656	1625	1014	2639		1710	1023	2733	1752	1011	0	2763
Fixed term																	
HEO 10 & above	68	59	127	94	70	164	117	74	191		132	79	211	127	79	0	206
HEO 9	63	36	99	62	46	108	83	55	138		94	61	155	78	47	0	125
HEO 8	120	49	169	137	71	208	161	68	229		186	80	266	156	69	0	225
HEO 7	184	107	291	226	119	345	275	116	391		281	124	405	259	97	0	356
HEO 6	264	78	342	286	79	365	324	89	413		329	102	431	322	100	0	422
HEO 5	268	77	345	300	83	383	333	99	432		304	84	388	281	82	0	363
HEO 4	62	5	67	70	16	86	96	28	124		104	29	133	80	24	0	104
HEO 3	67	14	81	47	9	56	38	10	48		45	11	56	40	10	0	50
HEO 2	6	6	12	4	4	8	3	1	4		3	1	4	2	1	0	3
HEO 1 & below	3	3	6	3	4	7	2	4	6		1	5	6	1	3	0	4
Subtotal	1105	434	1539	1229	501	1730	1432	544	1976		1479	576	2055	1346	512	0	1858
Total**	2637	1410	4047	2895	1491	4386	3057	1558	4615		3189	1599	4788	3098	1523	10	4631

*All statistics in these tables are as at 31 March 2021

**Total includes staff with 'Non-binary / Undisclosed' gender

Workforce diversity

At the University of Sydney our staff collectively flourish when diverse experiences, perspectives, and ideas are valued, enabled, and harnessed. In 2021, amidst an ambiguous and shifting context, we challenged ourselves to continue building an ever more inclusive and diverse workplace.

At our annual Vice Chancellor's Awards for Excellence, we recognised outstanding contributions to diversity and inclusion from our National Centre for Cultural Competence and our Safer Communities team. While the University remained committed to targeted action to meet the unique needs and experiences of different demographics in 2021, we also increasingly sought to take an intersectional approach.

COVID-19 impacts and flexible working

As the COVID-19 pandemic entered its second year, we built on initiatives from 2020 to support staff to work remotely, being mindful of the impacts on staff wellbeing from various restrictions, including the protracted lockdown. We continued to seek to understand and mitigate disproportionate impacts on staff with caring responsibilities and to retain staff from under-represented demographics.

Gender equity

We continued to advance gender equity via our participation in the national Athena Swan/Science in Australia Gender Equity (SAGE) Program and our internal Women's Career Acceleration and Leadership Strategy.

Percentages of women in senior roles

Level	2020	2021
Senior leaders	46%	50%
Level E academic staff (including exempt)	32%	35%
Level D academic staff	42%	45%
Senior professional staff	46%	51%

Key achievements:

- Increased representation of women in senior and leadership positions
- Made further progress on closing the gender pay gap – reducing the disparity from 11.4 percent to 7.7 percent between 2019 and 2021, according to 2021 Workplace Gender Equality Agency (WGEA) reporting. We also maintained compliance with the WGEA's requirements for the eighth consecutive year.
- Ongoing implementation of the University's 2019 Athena SWAN Bronze Institutional Award Action Plan, with a broadened scope to include all staff with an intersectional focus

- Refreshed the SAGE Self-Assessment Team (SAT), which was formed into six Working Groups in targeted areas (including recruitment, career progression, caring and flexibility and organisational culture) to analyse the impact on barriers to gender equity, diversity and inclusion to date and advance pathways to SAGE Silver
- Reformed the SAGE Advisory Committee to include key members of the leadership team and provide accountability for the implementation of the Action Plan, high-level advice, advocacy and support to the SAT and SAGE Program
- Celebrated International Women's Day with a live/hybrid Panel event
- The Women at Sydney Network held a series of panel sessions to promote career, financial and personal empowerment and wellbeing
- Supported career progression via our Sydney Women's Leadership and Positioning for Promotion Programs

LGBTIQ

The achievement of Gold Status for the first time in the annual Australian Workplace Equality Index reflected our ongoing aspiration to be an employer and University of choice for people of diverse genders and sexualities.

Key achievements:

- Awarded our first-ever Gold status in the Australian Workplace Equality Index with a huge 58-point improvement over our previous status
- Participated in the Sydney Gay and Lesbian Mardi Gras Parade
- Recognised and hosted online events for multiple LGBTIQ Days of Significance throughout the year
- Continued to develop our Out for Now online LGBTIQ social engagement and resource platform for students
- Maintained the recruitment and training of LGBTIQ Student Support Liaison Officers for all faculties
- Engaged with other University Pride networks to promote best practice, knowledge sharing, and the inclusion of LGBTIQ initiatives on campus
- Launched our new human resource system that allows staff to identify their sexuality and gender, to inform future initiatives and measurement of progress

Aboriginal and Torres Strait Islander people

Our workforce participation of Aboriginal and Torres Strait Islander people remained steady at 1 percent of our total staff. To affirm our aspiration to attract, retain and empower Aboriginal and Torres Strait Islander people, we established a target, through our One Sydney, Many People Strategy 2021-24, to increase workforce participation to 3 percent by 2030.

Key achievements:

- Funded 31 projects across 13 faculties, schools, and portfolios, reflecting the four pillars of our One Sydney, Many People Strategy
- Increased intake into our Aboriginal and Torres Strait Islander traineeship program in partnership with AFL Sports Ready
- Supported a staff working group to develop appropriate mechanisms to address issues of cultural load and safety
- Delivered a series of workshops through the National Centre for Cultural Competence to support capacity building for managers and supervisors
- Maintained and strengthened our Aboriginal and Torres Strait Islander Network
- Celebrated culturally significant events, including Reconciliation Week and NAIDOC Week.

Disability

Our Disability Inclusion Action Plan 2019-24 continues to underpin our approach to providing a workplace that is inclusive and enabling for people with disability. In 2021 we continued to achieve positive outcomes for both students and staff.

Key achievements:

- Supported teaching colleagues with the principles of Universal Design for Learning
- Made our first submission to the annual Australian Network on Disability's Access and Inclusion Index
- Raised awareness and celebrated people with disability during September's Disability Inclusion Week
- Upgraded existing buildings to remove barriers for people with disability as part of the Campus Prioritisation Program (CPP)
- Continued to roll out our Disability Employment program and our Stepping into Internship program, in partnership with the Australian Network on Disability
- Continued to support staff and manager capability by providing targeted disability awareness training and Disability Confident Manager Workshops
- Improved the accessibility of our digital platforms and content.

Find out more about our Disability Inclusion Action Plan at www.sydney.edu.au/about-us/vision-and-values/diversity/disability-action-plan.html

Cultural diversity

The University welcomes staff and students from around the globe and we aspire to a culture that respects and celebrates the deep value provided by diverse cultural traditions, heritages and experiences.

Key achievements:

- Continued the Vice-Chancellor's Sponsorship Program, which is directed at accelerating culturally diverse women's careers and leadership success at the University
- Built on our 'Say My Name' campaign by partnering with our Pride Network to include personal pronouns and preferred names in key University systems, and sharing this best practice with the external SAGE network
- Strengthened our Mosaic Network, which brings together staff from all cultural backgrounds with the aim to foster shared understanding and inclusion capability
- Launched our new human resource system that now allows staff to identify their cultural background, to inform future initiatives and measurement of progress

Find out more about the University's commitment to advancing and supporting cultural diversity at www.sydney.edu.au/about-us/vision-and-values/diversity/cultural-diversity.html

Diversity of University staff

Diversity group	2020	2021
Female	4966	4766
Aboriginal and Torres Strait Islander	86	80
Ethnic/racial/religious minority	748	675
People whose first language was not English	1678	1573
People with a disability	132	129
People with a disability requiring work-related adjustments	19	17

Please note: All diversity data is based on optional staff self-disclosure.

Diversity group	2020	2021
Academic		
Female	1777	1668
Aboriginal and Torres Strait Islander	38	35
Ethnic/racial/religious minority	286	273
People whose first language was not English	827	757
People with a disability	58	59
People with a disability requiring work-related adjustments	14	12
Professional		
Female	3189	3098
Aboriginal and Torres Strait Islander	48	45
Ethnic/racial/religious minority	462	402
People whose first language was not English	851	816
People with a disability	74	70
People with a disability requiring work-related adjustments	5	5

Please note: All diversity data is based on optional staff self-disclosure. Numbers as of 31 March 2021.

Consumer response

In 2021 the COVID-19 pandemic had a significant continuing impact on the nature and volume of complaints received by the University. The continuation of remote learning and teaching throughout the year meant that we had a greatly reduced staff and student population physically on campus for much of the year, and this led to a reduction in complaints about facilities and complaints arising from in-person interactions.

At the University, our Student Affairs Unit (SAU) handles complaints from and/or about students and misconduct by students. Complaints received by the SAU continued to reflect the wide-ranging effects of the COVID-19 pandemic, with online interactions remaining a notable source of complaints. However, complaints that were focused on technical challenges related to online study – especially with exam proctoring – reduced compared to 2020 as improvements were made to online systems.

Similarly, the University's Workplace Relations Unit needed to adapt its communication modes for managing complaints because of the lack of staff on campus. This unit deals with complaints made about staff and affiliates that relate to alleged bullying, harassment, discrimination, sexual assault and sexual harassment and various other types of complaints. Such complaints against staff may be made by staff, affiliates, students or members of the public.

Sexual misconduct

The University is committed to responding to sexual misconduct in a compassionate, transparent and fair manner and strives to continuously improve the quality of support provided to survivors. In 2021, the Safer Communities Office (SCO) acquired additional staffing and resources, including a newly created role of 'Preventative Education Specialist', who is dedicated to designing and delivering prevention programs for staff, student leaders and students, on topics such as healthy relationships, consent and bystander training. In 2021, the SCO delivered training to 810 students across the University. In addition, 25,323 students completed the online Consent Matters module.

Currently, the SCO consists of 9 staff members who provide trauma informed support to survivors of sexual misconduct. The SCO is complemented by an existing set of policies and procedures designed to support students, staff and affiliates who may wish to make a disclosure or complaint relating to sexual misconduct. For more information, visit www.sydney.edu.au/about-us/vision-and-values/safer-communities.html

Student complaints

In 2021, the Student Affairs Unit (SAU) received a total of 855 complaints – approximately one third fewer than 2020 (1282).

Themes evident in 2021 were as follows.

1. The decrease in complaints received was largely attributed to the fact that the University was able to resolve initial issues after our first shift to the remote learning environment in March 2020. The University made improvements to online learning systems in general, including online invigilation of examinations
2. Complaints from groups of students in the same units of study, who submitted identical or near-identical complaints, fell as faculties made more direct efforts to address concerns.

During 2021 the SAU received 6 complaints of sexual misconduct from students, compared to 2 in 2020; and it received 8 formal sexual harassment complaints, compared to 12 in 2020 and 14 in 2019.

Staff complaints

Over the course of 2021 a total of 76 complaints were notified to the Workplace Relations team, compared to the 130 reported in 2020. This is a decrease of more than 60 percent on the complaints received in 2020. Of the 76 complaints, 16 of these were student complaints about staff member conduct.

The decrease in numbers of complaints can be attributed to the impacts of COVID and the University adhering to Public Health Orders and advising staff and students to work/study at home and to practise social distancing when on campus. This has led to fewer face-to-face interactions between staff, affiliates and students, which may have reduced opportunities for some forms of conflict.

There has been a decrease across most types of complaints, with the exception of bullying complaints, which increased by 8 from 2020.

The complaints resolved in 2021 included the following.

- 26 percent of complaints (20) were found to be unsubstantiated.
- Five percent (4) were resolved locally.
- Four percent (3) resulted in serious misconduct action being taken against the respondent.
- Six percent (5) resulted in misconduct action being taken against the respondent and;
- Thirteen percent (10) of complaints initiated did not proceed through the process or were withdrawn before a resolution could be recorded.

At the time of publication of this Annual Report 5 complaints are yet to be finalised. Overall the number of complaints received against staff as a percentage of total headcount remains below one percent, which is considered low.

Infrastructure, facilities and campus security issues

In 2021, University Infrastructure (UI) and Central Operations Services (COS) managed complaints related to infrastructure, facilities and security using the approved UI Complaints Management guidelines. The guidelines are based on the customer satisfaction formula recommended by the NSW Ombudsman's *Effective Complaint Handling (3rd Edition – February 2017)* and the Australian/New Zealand Standards– Guidelines for complaints management in organizations (ISO 10002:2014, MOD).

The process is designed to deliver quality customer service and to communicate effectively with our stakeholders, students and neighbouring community.

The University received 46 complaints regarding issues associated with infrastructure in 2021, similar to 48 complaints received in 2020. The majority of these complaints related to facilities management and security issues (78 percent). Many of the complaints related to physical noise from plant (52 percent), graffiti (13 percent), parking-related issues (11 percent) and Health and Safety (11 percent). Complaints were received from local residents (74 percent), University staff (19 percent) students (4 percent) and government agencies (2 percent).

Cyber security

The security of the University's information and systems is fundamental to our ability to achieve excellence in research and education. Improving and maturing our cyber security continued to be one of our highest priorities in 2021.

We take a rigorous standards-based approach to managing cyber security risks for our staff, students, alumni, affiliates, partners and vendors, and all other organisations and individuals who support our commitment to excellence. Our Cyber Security Policy defines responsibilities and principles required within the University to protect the confidentiality, integrity and availability of ICT resources and digital information. The Acceptable Use of ICT Resources Policy outlines conditions of use for University ICT services and penalties for misuse. These policies are publicly available at www.sydney.edu.au/policies.

The ongoing remote working arrangements due to COVID-19 change the risk profile for staff, resulting in a focus to ensure devices are compliant with our security standards. Staff awareness of threats such as email phishing was strengthened through training simulations and an updated mandatory online learning module. From late 2020 to the end of 2021 a total of 15,253 staff completed cyber security awareness training, via a mandatory online module.

Our defence-in-depth approach to managing cyber security risk encompasses technical, procedural and personnel controls. In designing our control model, we adopted many of the Australian Signals Directorate's (ASD) recommended mitigation strategies. Our third independent threat and risk assessment and a review of controls maturity was conducted in 2021. Like the previous two reviews, it quantified positive impact from the control capability uplift that was performed, resulting in an improved risk profile. The University recognises that while technological control measures and prevention are vital, these measures cannot provide absolute protection from highly skilled, resourced, and motivated threat actors. Consequently, we partner with managed security service providers to deliver continuous monitoring, incident detection and response capability.

There has been increased engagement with the Australian Government through the University Foreign Interference Taskforce and the *Security Legislation Amendment (Critical Infrastructure) Act 2021*, which establishes mandatory incident reporting obligations. The University recognises that the cyber security threat environment continues to worsen while government and community expectations of organisations' cyber risk management are increasing. The University continues to prioritise improvements to cyber security capabilities and maturity for the foreseeable future.

Risk management and insurance

Risk management continues to be integral to the successful operations of the University, especially during the ongoing challenges posed by the pandemic and its global impacts. The continuing enactment of the University's organisational resilience framework has enabled an agile and coordinated approach to managing the rapidly changing impacts of the COVID-19 pandemic. Additionally, the University continues to improve its organisational resilience maturity through the review, update and exercise of its business continuity and other related plans.

2021 also saw active and regular referencing of dynamic risk information in key strategic and operational decisions. We issued the first Risk Culture Survey of all staff, providing a baseline of risk management maturity across the organisation, and identifying opportunities to foster a maturing risk culture. Almost 1500 staff completed the survey, which identified perceived strengths and areas for improvement. The University intends to conduct the survey annually to track improvements in risk maturity and to gather important insights into how our risk culture is evolving over time.

The year also saw a significant review of the Risk Management Framework, the University's Risk Appetite and Tolerances and the key risk indicators to further improve the way risk is considered in strategic and operational decision making. Other notable activities in 2021 include:

- maturing of risk management and organisational resilience processes across faculties, portfolios and professional service units
- a focus on understanding and closing existing control gaps in the University's system of controls, and
- continuing improvements in how risk information is reported to the University Executive and the Risk and Audit Committee.

The University also maintains a comprehensive insurance program to protect itself against the financial effects of insurable risks. This program extends to its subsidiaries and controlled entities, and also includes Senate and Senate subcommittee members, the University's officers, employees, volunteers and students. The University's insurance program is renewed annually at the end of October.

Work health and safety

Safety Strategy

The University continued to drive improvements in care for staff and students through a focus on strategic themes, including health and wellbeing, critical risk, and the upgrading of safety management system tools.

The University also continued to demonstrate visible safety leadership, with more than 2814 leader-led safety conversations undertaken. In 2022 the University intends to transition its leader-led activities to target critical risk and critical risk controls effectiveness.

Throughout the COVID-19 pandemic the University has maintained its commitment to education and research through COVID-safe procedures and agile adjustments in response to public health directions.

Work health and safety governance

The Senate Risk and Audit Committee, chaired by Mr Jason Yat-Sen Li, met throughout 2021 to oversee health and safety risk. This committee discharges due-diligence obligations through the review of operational safety reports, including information related to legislation updates, risks, incidents, health and wellbeing, workers compensation and resourcing for health and safety.

Work health and safety management

The University Executive (UE) Work Health and Safety Committee, chaired by Mr Stephen Phillips, met in February and May 2021. In July 2021 this responsibility was elevated to the University Executive, chaired by the Vice-Chancellor.

Formal consultation on work health and safety matters

In September 2021 a number of the University's Health and Safety Representatives formally requested the establishment of a Health and Safety Committee under Section 75 of the *Work Health & Safety Act 2011* (NSW). As a result, a new Health and Safety Consultative Committee was formed to support existing WHS consultation arrangements. The inaugural meeting was held in December 2021.

Health and Safety Professional Services Unit

Establishment of a new professional services unit has increased capability through a balance of a centre of expertise and partnering teams to better service the University's needs. The new structure provides greater expertise in specialist areas such as the management of hazardous chemicals, radiation, engineering, biosafety, occupational hygiene, health and wellbeing and assurance. The health and safety professional services unit led by the Chief Health and Safety Officer, Mr Michael Powell, reports directly to the Vice-Principal, Operations.

Health and safety assurance

Audits and inspections were significantly impacted by remote working in response to government COVID-19 lockdowns. Despite this the Health and Safety Partners completed 84 health and safety inspections.

Safety Management System (SMS) auditing focused on a number of high-risk areas during 2021, including radiation and safety management as well as the management of hazardous chemicals – dichloromethane and xylene. The scope of each audit included verification of effective risk controls and recommendations for improved WHS performance.

WHS training

Significant compliance improvements achieved during 2020 were further improved during 2021. At the end of 2021, 99 percent of 8260 fixed term employees had completed the online university WHS Induction and 89 percent of 1671 managers had completed the WHS for Managers and Supervisors training. The University achieved a completion rate of 91 percent for the WHS induction of Higher Degree by Research (HDR) students.

WHS risk management

In 2021, a University-wide risk profile was reviewed and identified 52 work health and safety risks grouped into eight themes. These risks formed the basis of health and safety plans for each faculty and school and will inform the development of the critical risk register.

COVID response

As reported in 'Strategy and operations', the University continued to be agile in adjusting to constantly and rapidly changing public health orders, to protect the health, safety and wellbeing of staff, students and visitors to campus. We developed a variety of tools and resources to support the COVID-19 pandemic response, including the continuation of remote working, support of essential on-campus activities, and the gradual return to on-campus activities with physical distancing and enhanced hygiene measures.

Specialist areas

The University's health and safety specialist team supported our Institutional Biosafety and Radiation Committees. A review of the risk profile and learnings from high potential incidents identified the need for additional expertise in capability in engineering (electrical/mechanical/process), specialist plant and occupational hygiene. As a result, new specialist roles have been introduced.

Work health and safety incidents

In 2021 there were a total of 1199 incidents and hazards reported via Riskware, the University's online health and safety reporting system. This represents a 17 percent decrease in overall reporting from the previous year, attributed to less on-campus activity in response to the COVID-19 pandemic. Sixty-five percent of all reports were hazards and near misses.

Cut, puncture or graze (26 percent) was the most frequent mechanism of injury reported during 2021, followed by slip or trip (14 percent) and ergonomic factors including body stress from repetitive movement (14 percent).

The most frequently reported injury differed between staff and students. For staff the most frequent injury was body stress from ergonomic factors or repetitive movement, while the most frequent students' injuries were the result of cut, puncture, or graze.

Staff

Mechanism	Number	% of total
Body stress from ergonomic factors	58	22%
Cut, puncture or graze	40	15%
Slip or fall on same level	40	15%

Students

Mechanism	Number	% of total
Cut, puncture or graze	66	49%
Acute illness	13	10%
Hit (or struck) by an animal	8	6%

Wellbeing

Wellbeing continues to be an organisational priority with recent creation and recruitment of high-profile health and wellbeing roles. The University has developed a three-year plan, including programs, frameworks and procedures targeting physical and psychological health. We are committed and are planning for a psycho-social benchmarking activity that will inform evidence-based interventions.

As part of 'Wellbeing at Sydney', the University is continuing with our working well remotely campaigns, which will include webinars focused on building resilience, burnout fatigue and self-care. The Health and Wellbeing team has committed to a number of different training courses, including Accredited Mental Health First Aid for targeted groups to strengthen response knowledge and capabilities among staff.

In preparation for return to campus, the 2022 annual flu vaccination program will include COVID-19 booster vaccinations and webinars will be available for staff to effectively transition back to the workplace.

Workers compensation

In 2021, 216 incidents of injury were reported to the Insurer, with 58 resulting in workers compensation claims – a 28 percent decrease in the total number of claims compared with 2020.

	2021	2020	2019	2018
Total cost of claims*	\$291,524	\$630,298	\$494,234	\$337,402
Average time lost (days) per claim*	8.76	4.74	5.00	8.49
Average cost of claims*	\$5,026	\$7,781	\$5,673	\$4,205
Injuries reported (WC Claims)	58	81	101	112
Premium payable (\$million)	\$2.12M	\$2.04M	\$1.79M	\$1.49M

*As at the end of the relevant calendar year

Musculoskeletal and traumatic joint, ligament and muscle tendon injuries continue to be the most prevalent workers' insurance claims. Psychological injury claims accounted for 8.6 percent of all claims in 2021, compared with 11 percent during 2020.

A total of 130 staff were supported to remain at, or recover at, work while experiencing personal ill health issues. Twenty-two percent of personal ill health cases related to mental ill-health.

The University continues to provide an Employee Assistance Program by Benestar Pty Ltd. Staff use of the Employee Assistance Program was 7.4 percent, which is higher than the industry average (1.8 percent) and at a level that represents a positive indicator of staff (and their families) taking help-seeking steps to access support services.

Insurance arrangements

The University has completed its 10th successive year in the NSW LPR Workers Compensation Scheme. Cost of claims and premium cost for 2021 were below the minimum premium payable. The University will remain insured under the icare Loss Prevention and Recovery scheme for Workers Compensation in 2022.

Privacy and freedom of information

The University complied with the requirements of the *Privacy and Personal Information Protection Act* as outlined in its Privacy Management Plan, Privacy Policy 2017 and Privacy Procedures 2018. We responded to 12 requests for access to information and completed four internal reviews under Part 5 of the Act. No matters were decided by the NSW Civil and Administrative Tribunal or investigated by the NSW Privacy Commissioner.

Government Information (Public Access) Act

Program for the release of information

We reviewed our program for the release of information, to confirm its adequacy. We assessed access applications, the University's Contracts Register, information made available under the Open Access requirements, and the University website. No patterns regarding information sought were identified, and the types of requests received were not generated by gaps in the program of proactive release. Our website facilitates proactive release of information where there is no overriding public interest against disclosure. We communicated policy and procedures and changes, such as new buildings, units, staff appointments, events, updated media releases and contact details for further information.

Access applications received during the year

We received 40 new access applications: 14 were for the personal information of the applicant; 20 were for information other than personal information; five were for a combination of personal information and information other than personal information; One was withdrawn. The number of new applications received decreased by two compared to 2020. Five were refused in part, and one was refused in full, because the applications were for the disclosure of information referred to in Schedule 1 of the *Government Information (Public Access) Act* (information for which there is conclusive presumption of overriding public interest against disclosure). Seven internal reviews were conducted.

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	1	5	2	0	1	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector businesses	0	0	0	0	0	0	0	0
Not-for-profit organisations or community groups	0	6	0	2	0	0	0	0
Members of the public (application by legal representative)	0	1	0	0	0	0	0	0
Members of the public (other)	6	14	7	3	3	1	0	1

* 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	2	10	2	2	1	1	0	1
Access applications (other than personal information applications)	3	14	4	3	1	0	0	0
Access applications that are partly personal information applications and partly other	2	2	3	0	2	0	0	0

* 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)	2
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	2
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	6
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
Information about complaints to Judicial Commission	0
Information about authorised transactions under <i>Electricity Network Assets (Authorised Transactions) Act 2015</i>	0
Information about authorised transaction under <i>Land and Property Information NSW (Authorised Transaction) Act 2016</i>	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	29
Law enforcement and security	1
Individual rights, judicial processes and natural justice	28
Business interests of agencies and other persons	9
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness

	No of applications
Decided within the statutory timeframe (20 days plus any extensions)	29
Decided after 35 days (by agreement with applicant)	19
Not decided within time (deemed refusal)	2
Total	50

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	2	4	6
Review by Information Commissioner*	1	2	3
Internal review following recommendation under section 93 of the Act	0	1	1
Review by NCAT	1	0	1
Total	4	7	11

* 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)

	No of applications for review
Applications by access applicants	11
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

Financial review of 2021

Statement of financial performance (Income statement)

The University of Sydney's parent only financial statements for the year ended 31 December 2021 show an underlying margin – excluding non-recurring items – of \$453.7 million (2020: surplus of \$50.9 million).

This operating surplus excludes quarantined items that cannot be spent on day-to-day operations. If quarantined and non-recurring items (such as profits from asset sales, unspent funds relating to specific research grants, philanthropic funds allocated by donors to certain purposes and funds that must be spent on specific capital investment projects) are included, the University recorded a 2021 operating result of \$1,048.1 million (2020: \$106.6 million).

While this operating result reflects the University's financial position in accordance with Australian accounting standards, it is important to note that it does not represent a surplus that can be spent freely, due to restrictions in place for the terms of use of a significant proportion of the funds held, as explained above and in subsequent pages of this review. The operating result can be reconciled to the underlying result as follows:

	2021 \$M	2020 \$M	Change \$M	Change %
Operating revenue ¹	3,531.2	2,644.4	886.8	33.5
Operating expenses ²	2,483.1	2,537.8	(54.7)	(2.2)
Parent operating result per financial statements	1,048.1	106.6	941.5	883.2
Adjusted for:				
Philanthropic funds ³	(348.2)	(74.2)	(274.0)	(369.3)
Investment funds ³	(104.5)	(25.1)	(79.4)	(316.3)
Specific purpose grants	5.1	(9.5)	14.6	153.7
Parent underlying margin including non-recurring items	600.5	(2.2)	602.7	(27,395.5)
Non-recurring items:				
RSP Contribution deployed to SBA Building	(95.1)	-	(95.1)	
Write down Cumberland Campus	35.6	-	35.6	
Other Write-downs (J03, software)	12.3	53.1	(40.8)	
Profit on sale of assets				
- Badgery's Creek compulsory acquisitions	(76.4)	-	(76.4)	
- Camperdown/Glebe properties	(23.2)	-	(23.2)	
Parent underlying margin excluding non-recurring items	453.7	50.9	402.8	791.4

The positive operating result disclosed in the financial statements was achieved through contributions generated by quarantined items that include the following:

- **Philanthropic funds:** A large proportion of the philanthropic funds managed by the University must be invested in perpetuity. Under the terms of many of the endowments, some investment income derived from these investments must be retained to maintain the real value of the endowment and is not therefore available to fund day-to-day operations.
- **Investment funds:** Must be held in reserve to meet capital requirements for a collateral fund to support the University's borrowing program and protect against any unforeseen circumstances. These reserves also support our obligation to meet employee entitlements and will assist in providing accommodation for our students.
- **Specific purpose grants:** Impact of accounting for as-yet unspent but committed research and education grants, including National Health and Medical Research Council, Australian Research Council grants and student scholarship funds.

In addition, non-recurring one-off items relating to the sale and compulsory acquisition of property close to the Camperdown Campus and the Badgerys Creek Airport generated \$99.6 million in profit, the majority of which will be retained by the Future Fund and will therefore not be used to fund day-to-day operations.

The Commonwealth Government's Research Support Program (RSP) contribution of \$95.1 million has been allocated to support construction of the Sydney Biomed Accelerator project that will complete the University's Health Precinct infrastructure program.

¹ For further information, see Section 1 on operating revenue (page 46)

² For further information, see Section 2 on operating expenses (page 49)

³ Figures include internal rate of return and reflect net margin. Certain philanthropic and investment funds are restricted and unavailable for general use.

Statement of financial position (Balance sheet)

The University Statement of financial position has been dissected to provide greater understanding of the significant restrictions that are in place for many of the funds held. 54.1 percent of the University's wealth, represented by its Net Assets, represents value that cannot be applied to support the University's day-to-day operations. Segregating the Statement of financial position demonstrates that much of the University's cash balances and the majority of its financial investments are restricted in terms of their use, largely being governed by philanthropic restrictions. In the table below please note the following:

- Tied funds are those funds contributed by external research funding bodies that can only be used for the specific purpose intended by the funder.
- Endowment funds are those restricted purpose funds that are unable to be utilised, except for the specific purpose intended by the donors of the funds.
- Future funds are the funds set aside by the University for the specific purpose of providing a backstop for the University's borrowing program, to protect staff entitlements and to shield the University against unforeseen circumstances and to form the core of a discretionary endowment that will, in future and subject to the approval of Senate, enable an annual dividend to be paid to support the University's discretionary activities.

Summary Balance Sheet as at 31 December 2021

Description	Discretionary University funds	Tied University funds	Endowment funds	Future funds	Total
	\$M	\$M	\$M	\$M	\$M
Assets					
Cash and cash equivalents	458.7	429.8	38.9	454.4	1,381.8
Receivables and contract assets	55.0	0.3	6.9	135.0	197.2
Other financial assets	167.7	-	1,385.5	649.6	2,202.8
Other non-financial assets	47.2	-	-	-	47.2
Superannuation fund receivables	1,448.4	-	-	-	1,448.4
Intangible assets	163.1	-	-	-	163.1
Total non-property assets	2,340.1	430.1	1,431.3	1,239.0	5,440.5
Liabilities					
Trade and other liabilities	316.1	430.1	9.5		755.7
Borrowings	398.6	-	-	82.5	481.1
Staff provisions	365.4	-	-	-	365.4
Other provisions	107.7	-	-	-	107.7
Superannuation fund liabilities	1,441.6	-	-	-	1,441.6
Total liabilities	2,629.4	430.1	9.5	82.5	3,151.5
Net non-property assets	(289.3)	-	1,421.8	1,156.5	2,289.0
Property, plant and equipment	3,093.3	-	37.8	710.4	3,841.5
Non-current assets held for sale	17.1	-	-	-	17.1
Net assets	2,821.1	-	1,459.6	1,866.9	6,147.6

University unencumbered cash on hand 458.7
 University weekly cash draw 49.4
 Cover 9.3 weeks

An analysis of the above highlights that the University's available non-property assets have a deficit value of \$289.3 million, which is inclusive of the unencumbered cash balance of \$458.7 million.

1. Operating revenue

The 2021 operating revenue of \$3,531.2 million was \$886.8 million more than 2020, mainly due to increases in overseas student enrolments, strong investment performance and non-recurring items including the Commonwealth Government's \$95.1 million Research Support Program contribution and the net gains from the disposal of property assets of \$99.6 million.

The following table and chart show the major components of the reported revenue.

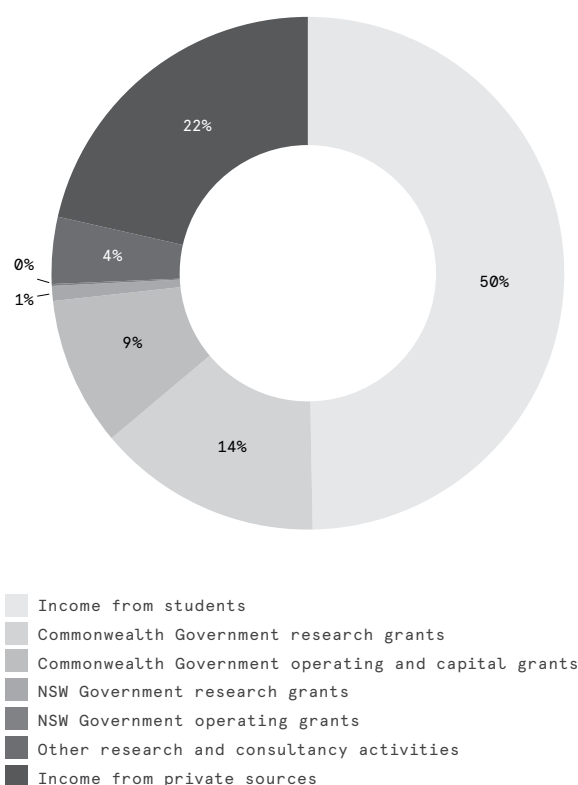
	2021 \$M	2020 \$M	Change \$M	Change %
Income from students (including HECS-HELP and FEE-HELP)	1,755.0	1,479.5	275.5	18.6
Commonwealth Government operating and capital grants	331.7	321.9	9.8	3.0
Research and consultancy activities	682.5	523.4	159.1	30.4
NSW Government operating grant	4.2	4.9	(0.7)	(14.3)
Income from private sources	757.8	314.7	443.1	140.8
Total	3,531.2	2,644.4	886.8	33.5

1.1 Income from students

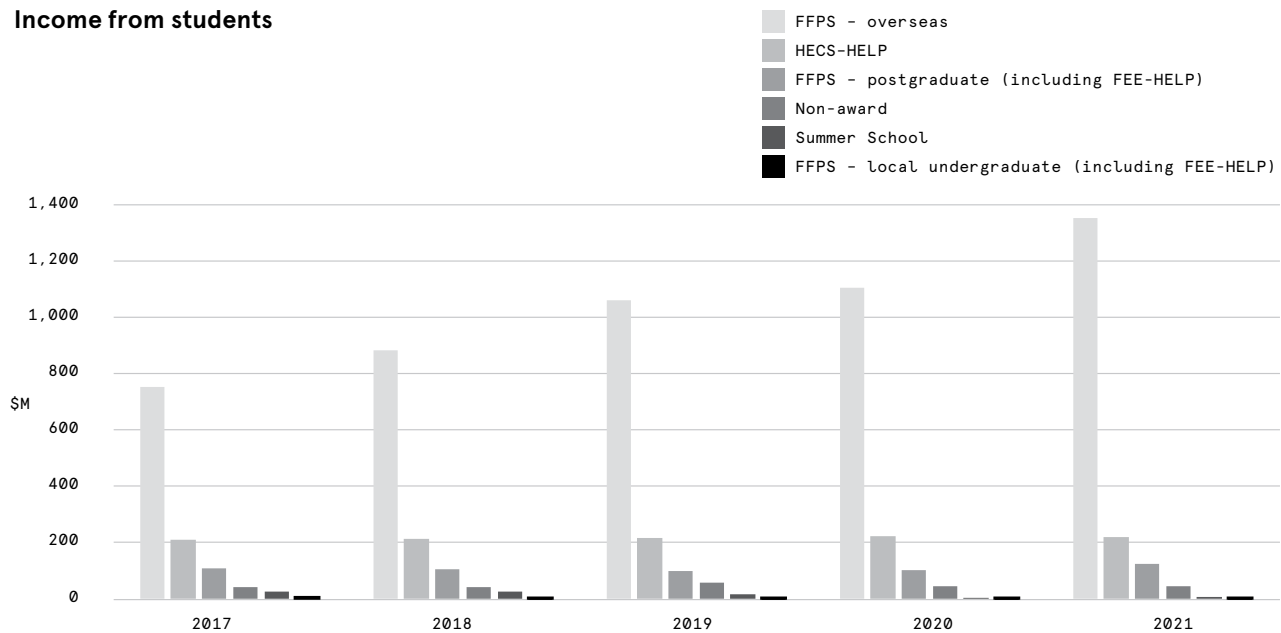
Despite the uncertainty of the global COVID-19 pandemic, enrolment numbers for overseas full fee-paying (FFP) students remained strong in 2021, and this cohort represented 77.2 percent of total student income.

The 2021 growth in income from students of \$275.5 million was mainly attributable to additional course fees generated from FFP overseas students of \$249.2 million, an increase of 22.5 percent.

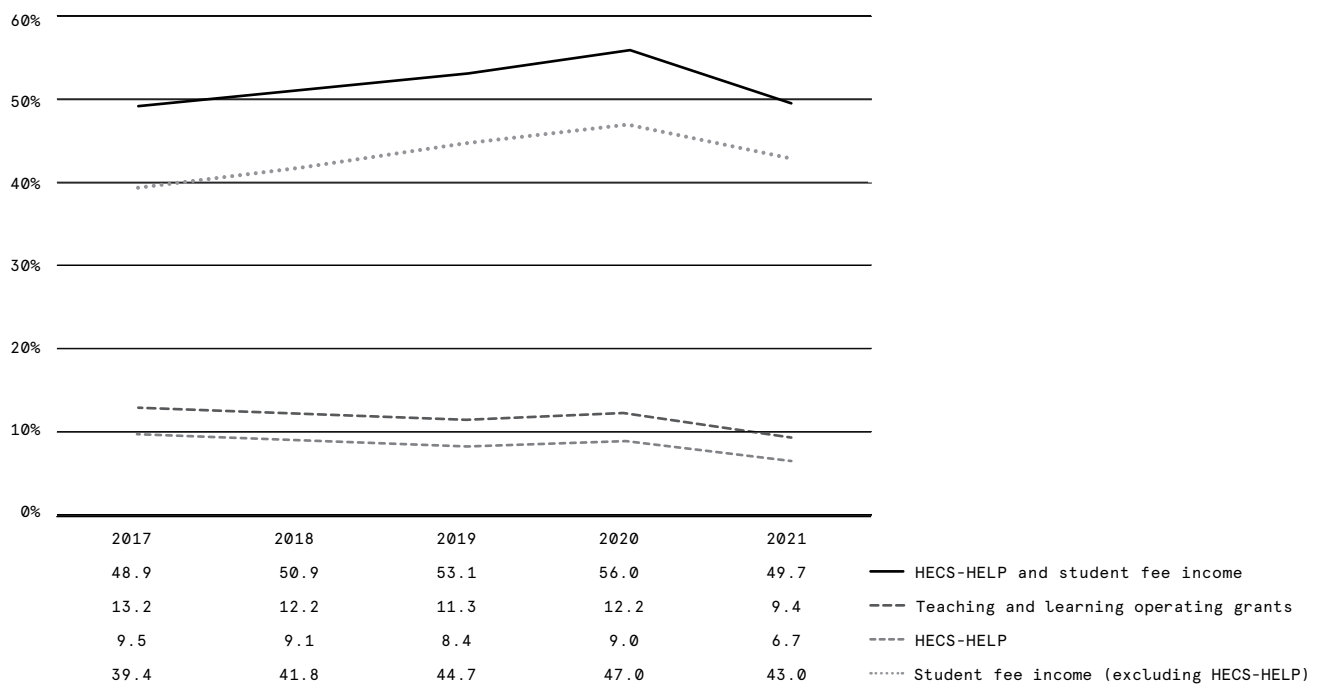
	2021 \$M	2020 \$M	Change \$M	Change %
FFPS - overseas	1,354.4	1,105.2	249.2	22.5
HECS-HELP	221.2	223.1	(1.9)	(0.9)
FFPS - postgraduate (including FEE-HELP)	125.7	101.4	24.3	24.0
Non-award	46.4	43.9	2.5	5.7
Summer School	6.1	5.3	0.8	14.7
FFPS - local undergraduate (including FEE-HELP)	1.2	0.6	0.6	100.0
Total income from students	1,755.0	1,479.5	275.5	18.6



Income from students



University education revenue sources as a percentage of total revenue



The proportion of University revenue received from HECS-HELP and student fee income has increased from 48.9 percent in 2017 to 49.7 percent in 2021. The year-on-year reduction from 56.0 percent in 2020 to 49.7 percent in 2021 is due to the significant increase in investment income in the period, together with the impact of the \$95.1 million Commonwealth RSP contribution.

The majority of this increase can be attributed to continued growth in income from overseas full fee-paying students. During the same five-year period funding received from Commonwealth teaching and learning operating grants has declined from 13.2 percent to 9.4 percent.

1.2 Commonwealth Government funding

Declining Commonwealth financial support in real terms for teaching and learning operations (as highlighted above and in the table below) has continued to place financial pressure on the University and has made it necessary for the University to broaden alternate revenue sources, such as full fee-paying students.

Commonwealth operating support increased by \$9.8 million while research revenue increased by \$142.4 million, largely due to the Commonwealth's \$95.1 million one-off RSP contribution.

	2021 \$M	2020 \$M	Change \$M	Change %
Teaching and learning operating grants	331.7	321.9	9.8	3.0
Capital funding	0.0	0.0	0.0	0.0
Commonwealth Government operating and capital grants	331.7	321.9	9.8	3.0
Research program funding	274.5	178.5	96.0	53.8
Australian Research Council	41.5	38.7	2.8	7.2
National Health and Medical Research Council	77.9	76.5	1.4	1.8
Other Commonwealth agencies - research	83.1	39.0	44.1	113.1
Other Commonwealth agencies - non-research	23.6	25.4	(1.8)	(7.1)
Commonwealth research funding	500.6	358.1	142.5	39.8
Total Commonwealth funding	832.3	680.0	152.3	22.4

1.3 NSW Government grants

Grants provided by the NSW Government increased by \$4.3 million, or 13.0 percent, to \$37.4 million in 2021.

	2021 \$M	2020 \$M	Change \$M	Change %
NSW Government operating grants	4.2	4.9	(0.7)	(14.3)
NSW Government research grants	33.2	28.2	5.0	17.7
Total NSW Government grants	37.4	33.1	4.3	13.0

1.4 Research and consultancy activities

Income received by the University for research and consultancy activities increased by \$159.1 million in 2021 or 30.4 percent, to \$682.5 million. Commonwealth research funding of \$500.6 million represented 73.3 percent of the total funding in this category. Contributions by non-Commonwealth Government external funding bodies accounted for \$16.7 million of the \$159.1 million total increase, with Commonwealth research funding being higher than 2020 by \$142.5 million, largely due to the one-off \$95.1 million RSP grant. In 2021 local collaborative research funds were lower than 2020 by \$0.5 million and overseas collaborative research funds were higher than 2020 by \$11.6 million.

	2021 \$M	2020 \$M	Change \$M	Change %
Commonwealth research funding	500.6	358.1	142.5	39.8
NSW Government research grants	33.2	28.2	5.0	17.7
Industry research grants	14.2	11.0	3.2	29.1
Foundations and individual research grants	65.4	64.2	1.2	1.9
Local collaborative research funds	14.7	15.2	(0.5)	(3.3)
Overseas collaborative research funds	47.9	36.3	11.6	32.0
Consultancies	6.5	10.4	(3.9)	(37.5)
Non-Commonwealth research and consultancy funding	181.9	165.3	16.6	10.0
Total research and consultancy income	682.5	523.4	159.1	30.4

1.5 Income from private sources

The major components of this income group were as follows:

	2021 \$M	2020 \$M	Change \$M	Change %
Investment income	466.4	68.5	397.9	580.9
Philanthropic income	74.4	120.2	(45.8)	(38.1)
Commercial and other activities	144.3	42.9	101.4	236.4
Contributions from external organisations	36.2	43.4	(7.2)	(16.6)
Other fees and charges	33.0	34.9	(1.9)	(5.4)
Sponsorship income	3.5	4.8	(1.3)	(27.1)
Total income from private sources	757.8	314.7	443.1	140.8

Investment income increased by \$397.9 million, mainly due to increased returns in the global equity markets in 2021.

The long-term portfolio returned 24.8 percent, with the medium-term fund returning 4.8 percent. At 31 December 2021, the University was holding unrealised gains of \$211.7 million (2020: \$27.0 million unrealised losses).

Philanthropic income received by the University decreased by \$45.8 million.

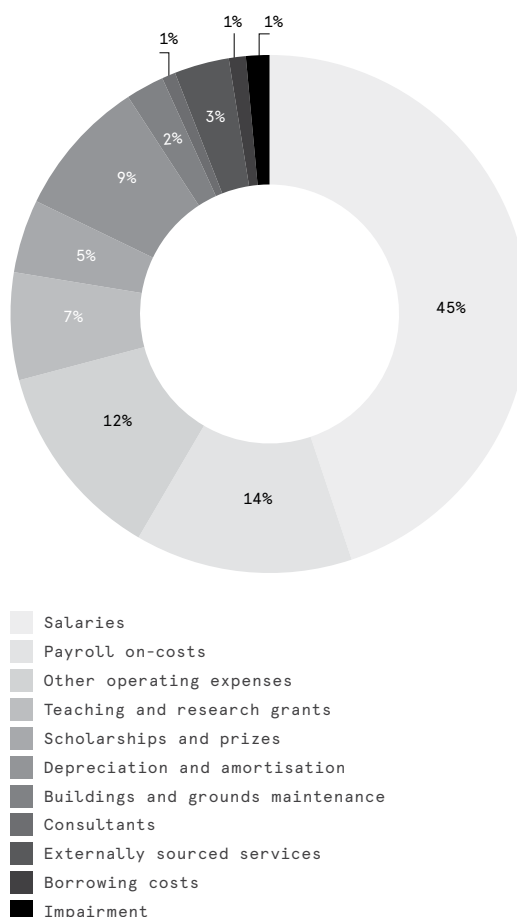
1.6 Philanthropic income pledged

The University continued to receive valuable support from donors in 2021, raising \$147.8 million in pledged philanthropic income from 7252 donors.

2. Operating expenses

The 2021 operating expenditure of \$2,483.1 million was \$54.7 million – 2.2 percent lower than in 2020.

	2021 \$M	2020 \$M	Change \$M	Change %
Salaries	1,113.9	1,080.6	33.3	3.1
Payroll on-costs	337.2	429.0	(91.8)	(21.4)
Total employee benefits	1,451.1	1,509.6	(58.5)	(3.9)
Other operating expenses	309.0	287.1	21.9	7.6
Teaching and research grants	166.4	120.4	46.0	38.2
Scholarships and prizes	113.8	120.3	(6.5)	(5.4)
Depreciation and amortisation	214.6	222.5	(7.9)	(3.6)
Repairs and maintenance	59.5	57.8	1.7	2.9
Consultants	21.0	19.8	1.2	6.1
Externally sourced services	85.1	118.5	(33.4)	(28.2)
Borrowing costs	26.3	33.6	(7.3)	(21.7)
Impairment	36.3	48.2	(11.9)	(24.7)
Total non-salary expenses	1,032.0	1,028.2	3.8	0.4
Total expenses	2,483.1	2,537.8	(54.7)	(2.2)



The major items contributing to the decrease were:

- A \$58.6 million decrease in salaries and payroll on-costs. Of the reduction in payroll on-costs of \$91.8 million, \$23.2 million relates to reduced long service leave costs. This decrease is largely due to reducing actuarial estimates driven by increasing discount rates, \$22.4 million from decreased annual leave costs due to voluntary redundancies, \$16.8 million due to the changes in the law around employment classifications (reversal of the Rossato provision), \$7.7 million resulting from decreased termination cost provisioning and \$6.9 million in reduced payroll tax costs (from the temporary tax rate reduction from 5.45 percent p.a. to 4.85 percent p.a.), offset by a \$33.3 million increase in salary costs, which was primarily a result of the University's COVID-19 recognition payment and EBA wage increases.
- A \$33.4 million decrease in externally sourced services as the University continued the savings measures it initiated in 2020 to ensure its financial viability and security (as reported in the 2020 Annual Report).
- An \$11.8 million decrease in impairment. In 2021, impairment of \$35.6 million was recognised for the Cumberland Campus due to operations transferring to the Susan Wakil Health Precinct. In 2020, the University recognised a \$51.0 million cladding impairment.
- A \$7.9 million decrease in depreciation and amortisation due to a number of property sales together with asset retirements during the year.

Offset mainly by:

- A \$39.5 million increase in teaching and research grants and scholarships, largely resulting from increased research sector collaboration spending of \$46.7 million.
- A \$21.9 million increase in operating expenses, mainly comprising an \$11.9 million increase in the purchase of software licences and \$10.0 million in asset retirements primarily relating to the Engineering precinct.

3. Expenditure on assets

The University continues to commit to a long-term capital expenditure plan to assure its future sustainability. This includes funding for state-of-the-art buildings, information and communications technology and library infrastructure to support the University's core teaching and research activities.

In 2021, largely due to the continuing impact of the pandemic, the University incurred capital expenditure of \$96.2 million, which is a \$196.0 million decrease compared to 2020. The Susan Wakil Health Building was completed and opened to University staff and students in February 2021.

	2021 \$M	2020 \$M	Change \$M	Change %
Land and buildings	0.0	5.8	(5.8)	(100.0)
Equipment	45.5	24.2	21.3	88.0
Capital works – software	21.1	20.9	0.2	1.0
Capital works – buildings	20.7	209.7	(189.0)	(90.1)
Other	8.9	31.6	(22.7)	(71.7)
Total capital expenditure	96.2	292.2	(196.0)	(67.1)

4. Equity

The total equity of the University at 31 December 2021 was \$6,147.5 million, \$1,284.5 million higher than at 31 December 2020 at the University parent entity level.

	2021 \$M	2020 \$M	Change \$M	Change %
Restricted funds	883.3	708.9	174.4	24.6
Reserves	786.0	554.0	232.0	41.9
Retained earnings	4,478.2	3,600.1	878.1	24.4
Total equity	6,147.5	4,863.0	1,284.5	26.4

The three major components of total equity were as follows.

- **Restricted funds**, which total \$883.3 million at 31 December 2021 (2020: \$708.9 million). These are funds with a capital preservation obligation and are quarantined from use to support the University's day-to-day operations.
- **Reserves**, which largely comprise revaluation adjustments for the University's land and heritage assets. In 2021, there was a net increase of \$232.0 million in the reserves, which arose primarily from the revaluation of the University-owned farmland which is in close proximity to the second Sydney Airport site at Badgerys Creek.
- **Retained earnings** of the University stand at \$4,478.2 million, made up of the initial revaluation reserve of \$1,660.5 million created in 1992 (when the NSW Government transferred the land and buildings to the University), together with the cumulative net operating surpluses generated, excluding reserves, in the periods up to 31 December 2021.

5. Operating statement

	2021 Budget \$'M	2021 Forecast \$'M	2021 Actual \$'M	2022 Budget \$'M
Revenue and income from continuing operations				
Australian Government financial assistance				
Australian Government grants	802.7	834.1	832.3	727.9
HELP – Australian Government payments	267.2	278.9	278.7	293.6
State and local government financial assistance	35.3	38.9	37.4	37.6
Fees and charges	1,260.4	1,479.3	1,475.3	1,412.7
HECS-HELP – student payments	33.4	34.1	34.1	35.9
Investment revenue	54.3	86.7	233.4	67.7
Consultancy and contracts	139.5	154.2	148.8	130.1
Royalties, trademarks and licences	3.7	3.6	4.6	4.4
Other revenue	204.9	277.3	387.1	241.2
Gains/(losses) on disposal of assets	0.2	75.7	99.6	-
Total income from continuing operations	2,801.6	3,262.9	3,531.2	2,951.1
Expenses from continuing operations				
Employee related expenses	1,517.8	1,513.7	1,451.1	1,624.1
Depreciation and amortisation	241.2	216.0	214.6	210.0
Repairs and maintenance	100.8	77.1	59.5	94.4
Borrowing costs	28.3	27.1	26.3	20.0
Impairment of assets	4.1	1.8	36.3	7.2
Grant and scholarship expenses	132.6	125.1	113.8	130.6
Consultants	22.9	22.9	21.0	25.2
Externally sourced services	96.4	95.3	85.1	104.7
Teaching and research grants	147.0	177.7	166.4	161.7
Other expenses	329.7	338.9	309.0	411.2
Total expenses from continuing operations	2,620.7	2,595.6	2,483.1	2,789.2
Operating result before income tax	180.9	667.3	1,048.1	161.9
Income tax benefit/(expense)	-	-	-	-
Operating result after income tax	180.9	667.3	1,048.1	161.9
Net result attributable to members of the University of Sydney	180.9	667.3	1,048.1	161.9

Notes:

1. Net gain/(loss) on sale of property, plant and equipment.

6. Investments and investment performance

The Long-Term Fund (LTF) returned 24.8 percent in 2021, (after taking into account external manager fees). The portfolio benefited from its equity positioning, including in private markets, along with its systematic approach to currency, which meant the portfolio was well exposed to the US dollar throughout the year.

Long-Term Fund (LTF)

Value as at 31 December 2021:

\$2,094.3 million

Cash flow objective:

4.5% per annum

Capital objective:

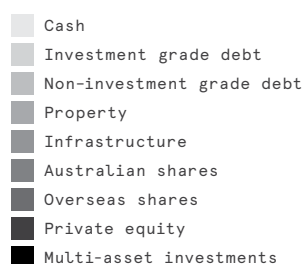
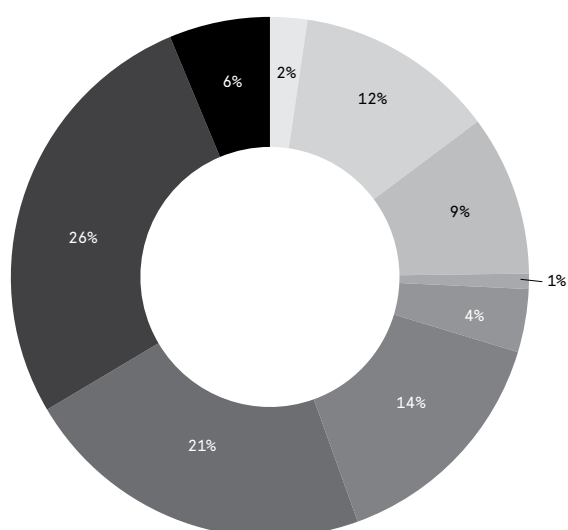
Consumer Price Index (real terms capital preservation)

Total return objective:

Consumer Price Index + 4.5% after all fees

Long-Term Fund Asset Allocation

as at end December 2021



The return of the University's Medium-Term Fund (MTF) (after external manager fees) for the calendar year 2021 year was 4.8%. This has more than met expectations for University funds invested in this product, which have a one-to-four-year spending time horizon and so are looking for returns better than the cash rate.

Medium-Term Fund (MTF)

Value as at 31 December 2021:

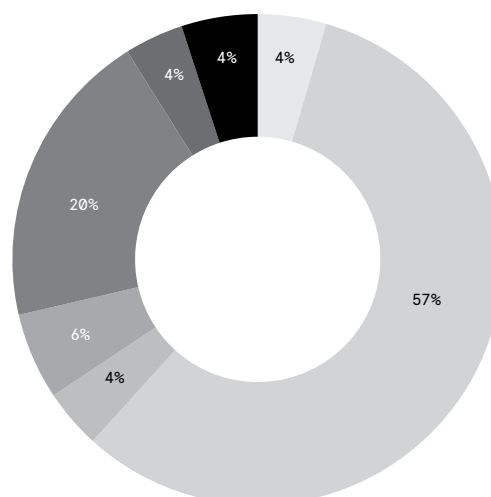
\$104.0 million

Total return objective:

Bloomberg AusBond Bank Bill + 1.5% after all fees

Medium-Term Fund Asset Allocation

as at end December 2021



7. Creditor's payment performance

2021 quarter	March		June		September		December	
	Actual	Target	Actual	Target	Actual	Target	Actual	Target
Percentage of accounts paid on time:								
By number of invoices	84%	80%	81%	80%	82%	80%	87%	80%
By value of invoices	91%	80%	77%	80%	73%	80%	85%	80%
Amount of accounts paid on time (excluding investments)	\$264.3M		\$176.4M		\$173.3M		\$300.4M	
Total amount of accounts paid (excluding investments)	\$291.4M		\$230.1M		\$238.5M		\$351.5M	

Performance excludes time delay factors attributed to invoices receipted directly by the business unit.

8. Summary of land owned by the University

Land use

	2021 \$M	2020 \$M	Change \$M	Change %
Teaching and research land	188.3	182.7	5.6	3.1
Student accommodation	103.0	110.4	(7.4)	(6.7)
Commercial land	35.9	22.4	13.5	60.4
Investment land	373.3	262.8	110.5	42.1
Total land	700.7	578.3	122.4	21.2

Teaching and research land

The major teaching and research facilities of the University, located on the Camperdown and Darlington campuses in Sydney, cover a total of 51 hectares. The University has several teaching and research facilities in addition to these premises including:

- Brain and Mind Centre, Mallett Street, Camperdown
- Camden Campus (Faculty of Science)
- Australian Archaeological Institute at Athens and Thessaloniki, Greece
- University-owned and commercially operated farms throughout eastern Australia (covering a total area of approximately 10,174 hectares) which support the teaching and research activities of the Faculty of Science.

The University also occupies a number of sites on long-term leases, licences and agreements in New South Wales, including:

- The Plant Breeding Institute at Narrabri and other field stations
- University teaching and research hospitals

- science facilities at the Australian Technology Park at Redfern
- The Sydney Conservatorium of Music in central Sydney
- Graduate House and West Wing at St Paul's College.

Commercial farms

The University operates two commercial farms that support teaching and research activities. The farms, which are located in the Liverpool plains and Southern Highlands regions of New South Wales, are valued on a fair value basis. The University continues to hold land in Western Sydney following a number of State Government compulsory acquisitions.

Student housing

The University owns several accommodation properties in the vicinity of the Camperdown, Darlington, Cumberland, Nepean, Camden, and Lismore campuses. In 2021, the University completed the sales of six accommodation properties in Camperdown.

9. Overseas travel

The University paid \$0.2 million for staff overseas travel in 2021 (2020: \$4.1 million). The \$3.9 million decrease is an impact of COVID-19 and associated government travel bans.

10. Financial statements for subsidiaries

Please refer to note 29 of the Financial Statements for details of the University's subsidiaries.



INDEPENDENT AUDITOR'S REPORT

The University of Sydney

To Members of the New South Wales Parliament

Opinion

I have audited the accompanying financial statements of the University of Sydney (the University), which comprise the Statement by the Accountable Authority, the Responsible Entities' Declaration, Income statement and Statement of comprehensive income for the year ended 31 December 2021, the Statement of financial position as at 31 December 2021, the Statement of changes in equity and the Statement of cash flows for the year then ended, notes comprising a Summary of significant accounting policies, the US Department of Education financial responsibility supplemental schedule (Note 38), 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* (the ACNC Act) and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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

Basis for Opinion

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

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

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

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

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

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

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 31 December 2021. 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
Fair value assessment of property, plant and equipment	
<p>At 31 December 2021, the University reported \$3.8 billion in property, plant and equipment.</p> <p>In 2021, the University:</p> <ul style="list-style-type: none"> revalued commercial land, buildings and infrastructure assets with a closing balance of \$810 million recorded a net revaluation increment of \$232 million at 31 December 2021. <p>I considered this to be a key audit matter because of the:</p> <ul style="list-style-type: none"> financial significance of property, plant and equipment to the University's financial position extent of significant management judgements underpinning key assumptions used in the valuation process judgement and complexities associated with the application of AASB 13 'Fair Value Measurement'. <p>Further information on the fair value measurement of property, plant and equipment is included in Note 17 'Property, plant and equipment' and Note 34 'Fair value measurement'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> assessed the competence, capability and objectivity of management's independent valuer assessed the accuracy and completeness of assets included in the revaluation assessed the appropriateness of the methodology used and the key assumptions and judgements adopted assessed material changes to useful lives agreed valuation amounts to the reported financial statement balances assessed the sufficiency and appropriateness of management's valuation against the requirements of applicable Australian Accounting Standards assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.
Liability for employee underpayments	
<p>At 31 December 2021, the University reported a liability for the underpayment of professional and academic employees of \$21.2 million (included within the accrued expenses balance of \$101 million in Note 20 'Trade and other liabilities').</p> <p>I considered this to be a key audit matter because of the extent of significant management judgements underpinning key assumptions used to estimate the liability.</p> <p>Further information on the liability is included in Note 1(d) 'Underpaid staff entitlement remediation accrual' and Note 18 'Trade and other liabilities'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> assessed the reasonableness of the methodology and key assumptions adopted in estimating the liability assessed the qualifications, competence and objectivity of management's independent expert obtained the underpayments calculation from management's independent expert and, for a sample of calculations: <ul style="list-style-type: none"> examined employee entitlements under the University's Enterprise Agreement verified underpayment calculations were supported by employee time and attendance records assessed the completeness and mathematical accuracy of the data used in the calculation examined a sample of actual payments made to confirm their validity and accuracy

Key Audit Matter	How my audit addressed the matter
	<ul style="list-style-type: none"> assessed the sufficiency and appropriateness of management's liability against the requirements of applicable Australian Accounting Standards assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.
Valuation of defined benefit superannuation and long service leave liabilities	
<p>At 31 December 2021, the University reported:</p> <ul style="list-style-type: none"> defined benefit superannuation liabilities totalling \$1.4 billion employee long service leave liabilities totalling \$248 million. <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> the defined benefit superannuation and long service leave liabilities are financially significant to the University's financial position there is a risk the data used in the defined benefit superannuation and long service leave liability valuation models (the models) is not accurate and/or complete the underlying models used to value the liabilities are complex due to a high level of judgement and estimation involved in the valuation assumptions, including discount rates and salary inflation the value of the liabilities is sensitive to minor changes in key valuation inputs. <p>Further information on the valuation of defined benefit superannuation and long service leave liabilities is included in Note 22 'Provisions' and Note 28 'Defined benefit plans'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> assessed the key controls supporting the data used in the models assessed the completeness and mathematical accuracy of the data used in the models obtained management's actuarial reports and year-end adjustments, and for defined benefit superannuation liabilities engaged a qualified actuary ('auditor's expert') to assess the: <ul style="list-style-type: none"> competence, capability and objectivity of management's independent experts appropriateness of the models reasonableness of key assumptions used reasonableness of the reported liability balances assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.
Provision for building rectification	
<p>At 31 December 2021, the University reported a building rectification provision of \$49.4 million. The provision reflects the University's estimate of costs it expects to incur where it has a present obligation to rectify buildings with identified safety hazards.</p> <p>I considered this to be a key audit matter because the recognition and measurement of the provision involved significant management judgements, assumptions and estimates.</p> <p>Further information on the provision is disclosed in Note 22 'Provisions'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> assessed the reasonableness of the methodology and key assumptions adopted in estimating the provision examined a sample of cost estimates for buildings where rectification issues had been identified to confirm management's basis of measurement examined a sample of actual costs incurred to confirm their validity and accuracy assessed the status of enforceable orders and correspondence from the relevant authorities examined evidence to support the recognition of a provision where management concluded the University has: <ul style="list-style-type: none"> a legal obligation to address enforceable orders, or a constructive obligation based on its intention to rectify and past actions in

Key Audit Matter

How my audit addressed the matter

responding to similar hazards to student and staff safety

- assessed the sufficiency and appropriateness of the provision against the requirements of applicable Australian Accounting Standards
- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.

Valuation of other financial assets (investments)

At 31 December 2021, the University held investments of \$2.2 billion measured at fair value. The University's investments are managed by external fund managers and a contracted services organisation.

I considered this to be a key audit matter because:

- of the significance of the balance to the University's financial position
- the University's investment in Education Australia Limited significantly changed due to a restructure of the arrangement (EAL transaction)
- the University 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 \$20.2 million include unlisted unit trusts and unlisted equities. 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
- of the degree of judgement and estimation uncertainty associated with the valuation.

Key audit procedures included the following:

- evaluated the design of relevant key controls over investments, and assessed on a sample basis whether these controls were implemented effectively
- confirmed the existence and completeness of balances at 31 December 2021 with external counterparties
- obtained, for unit trust and equities assets, valuation confirmations directly from the external fund managers and assessed the reliability of the information received
- assessed the appropriateness of management's accounting treatment of the EAL transaction against the requirements of applicable Australian Accounting Standards
- assessed the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.

Further information on investments is included in Note 16 'Other financial assets' and Note 34 'Fair value measurement'.

Other Information

The University's annual report for the year ended 31 December 2021, includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The members of the Senate 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 Responsible Entities' Declaration.

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

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

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

I have nothing to report in this regard.

University Senate's Responsibilities for the Financial Statements

The Senate is 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 2021 Reporting Period', issued by the Australian Government Department of Education, pursuant to the *Higher Education Support Act 2003* and the *Australian Research Council Act 2001*. The Senate's responsibilities also include such internal control as the Senate 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 Senate is responsible for assessing the University's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar5.pdf. The description forms part of my auditor's report.

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

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



Margaret Crawford
Auditor-General for New South Wales

24 March 2022
SYDNEY



To the Vice-Chancellor
The University of Sydney

Auditor's Independence Declaration

As auditor for the audit of the financial statements of the University of Sydney for the year ended 31 December 2021, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Margaret Crawford
Auditor-General for New South Wales

15 March 2022
SYDNEY

Professor Mark Scott AO,
Vice-Chancellor and Principal

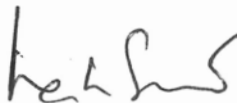
19 March 2022

RESPONSIBLE ENTITIES' DECLARATION

In accordance with a resolution of the Senate of The University of Sydney dated 4 February 1991, we declare that in the responsible entities' opinion:

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

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



Professor Mark Scott AO
Vice-Chancellor and Principal



Karen Moses
Chair, Finance Committee

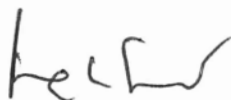
Professor Mark Scott AO,
Vice-Chancellor and Principal

19 March 2022

STATEMENT BY THE ACCOUNTABLE AUTHORITY

In accordance with a resolution of the Senate of The University of Sydney dated 4 February 1991 and section 7.6(4) of the *Government Sector Finance Act 2018* (the Act), we state that to the best of our knowledge and belief:

1. The financial statements present fairly the University of Sydney's (the University) financial position, financial performance, and cash flows.
2. The financial statements have been prepared in accordance with the Australian Accounting Standards and the applicable requirements of the Act, the *Government Sector Finance Regulation 2018* and the "Financial Statement Guidelines for Australian Higher Education Providers for the 2021 Reporting Period" issued by the Australian Government Department of Education.
3. We are not aware of any circumstances which would make any details included in the financial statements to be misleading or inaccurate.
4. There are reasonable grounds to believe the University will be able to pay its debts as and when they fall due.
5. The amount of Australian Government financial assistance expended during the reporting period was for the purposes for which it was granted, and the University has complied with applicable legislation, contracts, agreements, and program guidelines in making expenditure.
6. The University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* (HESA) and the Administration Guidelines made under HESA. Revenue from the fee was spent strictly in accordance with HESA and only on services and amenities specified in subsection 19-38(4) of HESA.



Professor Mark Scott AO
Vice-Chancellor and Principal



Karen Moses
Chair, Finance Committee



THE UNIVERSITY OF
SYDNEY

2021 **Annual Financial Statements**

The University of Sydney
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for the year ended 31 December 2021

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The University of Sydney
Income statement
for the year ended 31 December 2021

	Note	Economic entity (Consolidated)		Parent entity (University)	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	4(a)	832,262	680,013	832,262	680,013
HELP - Australian Government payments	4(b)	278,680	265,287	278,680	265,287
State and local government financial assistance	5	37,399	33,127	37,399	33,127
Fees and charges	6	1,475,296	1,215,335	1,475,296	1,215,335
HECS-HELP - student payments		34,113	33,701	34,113	33,701
Investment revenue	7	233,429	108,288	233,429	108,288
Consultancy and contracts	8	148,806	137,233	148,806	137,233
Royalties, trademarks and licences		4,642	6,850	4,642	6,850
Other revenue	9	154,094	203,479	154,094	203,479
Total revenue from continuing operations		3,198,721	2,683,313	3,198,721	2,683,313
Gain on disposal of assets	10	99,554	953	99,554	953
Share of profit on investments accounted for using the equity method		1,646	2,417	0	0
Total other investment income/(loss)	7	232,964	(39,836)	232,964	(39,836)
Total income from continuing operations		3,532,885	2,646,847	3,531,239	2,644,430
Expenses from continuing operations					
Employee-related expenses	11	1,451,059	1,509,614	1,451,059	1,509,614
Depreciation and amortisation	17/18	214,577	222,476	214,577	222,476
Repairs and maintenance		59,456	57,810	59,456	57,810
Borrowing costs		26,336	33,621	26,336	33,621
Impairment of assets		36,383	48,253	36,383	48,253
Grant and scholarship expenses		113,753	120,272	113,753	120,272
Consultants		21,009	19,844	21,009	19,844
Externally sourced services		85,105	118,451	85,105	118,451
Teaching and research grants		166,435	120,391	166,435	120,391
Other expenses	12	309,064	287,135	309,064	287,135
Total expenses from continuing operations		2,483,177	2,537,867	2,483,177	2,537,867
Net result before income tax from continuing operations		1,049,708	108,980	1,048,062	106,563
Less: Income tax (benefit)/expense		0	0	0	0
Net result after income tax from continuing operations		1,049,708	108,980	1,048,062	106,563
Net result attributable to members of The University of Sydney		1,049,708	108,980	1,048,062	106,563

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

The University of Sydney
Statement of comprehensive income
for the year ended 31 December 2021

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Net result after income tax from continuing operations		1,049,708	108,980	1,048,062	106,563
Items that will not be reclassified to profit or loss					
Gain on revaluation of property, plant and equipment	23	231,992	58,448	231,992	58,448
Distributions from subsidiary		0	0	0	141
Other adjustments		(1,701)	1,633	(1,701)	0
Net actuarial gains/(losses) recognised in respect of defined benefit plans		6,209	1,129	6,209	1,129
Total		236,500	61,210	236,500	59,718
Total other comprehensive income		236,500	61,210	236,500	59,718
Total comprehensive income		1,286,208	170,190	1,284,562	166,281
Total comprehensive income attributable to members of The University of Sydney		1,286,208	170,190	1,284,562	166,281

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

The University of Sydney
Statement of financial position
as at 31 December 2021

		Economic entity (Consolidated)		Parent entity (University)	
		2021	2020	2021	2020
	Notes	\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and cash equivalents	13	1,381,785	817,739	1,381,785	817,739
Receivables and contract assets	14	290,012	158,117	290,012	158,117
Other financial assets	16	0	1,277	0	1,277
Non-current assets held for sale	15	17,087	0	17,087	0
Other non-financial assets	19	38,814	32,113	38,814	32,113
Total current assets		1,727,698	1,009,246	1,727,698	1,009,246
Non-current assets					
Receivables and contract assets	14	1,355,618	1,448,040	1,355,618	1,448,040
Other financial assets	16	2,186,708	1,771,591	2,202,779	1,785,708
Property, plant and equipment	17	3,841,457	3,859,905	3,841,457	3,859,905
Intangible assets	18	169,241	180,981	163,112	174,852
Other non-financial assets	19	8,354	6,741	8,354	6,741
Investments accounted for using the equity method		21,570	17,970	0	0
Total non-current assets		7,582,948	7,285,228	7,571,320	7,275,246
Total assets		9,310,646	8,294,474	9,299,018	8,284,492
LIABILITIES					
Current liabilities					
Trade and other liabilities	20	755,498	651,137	755,498	651,137
Borrowings	21	13,834	216,961	13,834	216,961
Derivative financial instruments		188	0	188	0
Provisions	22	470,939	524,735	470,939	524,735
Total current liabilities		1,240,459	1,392,833	1,240,459	1,392,833
Non-current liabilities					
Borrowings	21	467,293	477,689	467,293	477,689
Provisions	22	1,443,690	1,550,956	1,443,690	1,550,956
Total non-current liabilities		1,910,983	2,028,645	1,910,983	2,028,645
Total liabilities		3,151,442	3,421,478	3,151,442	3,421,478
Net assets		6,159,204	4,872,996	6,147,576	4,863,014
EQUITY					
Parent entity interest					
Restricted funds*		883,355	708,877	883,355	708,877
Reserves	23	787,297	555,305	785,984	553,992
Retained earnings		4,488,552	3,608,814	4,478,237	3,600,145
Total equity		6,159,204	4,872,996	6,147,576	4,863,014

* Restricted funds are those funds with a capital preservation obligation.

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

The University of Sydney
Statement of changes in equity
for the year ended 31 December 2021

	Economic entity (Consolidated)				Parent entity (University)			
	Restricted funds \$'000	Reserves \$'000	Retained Earnings \$'000	Total \$'000	Restricted funds \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
2020								
Balance at 1 January 2020								
Net result after income tax from continuing operations	23,549	0	85,431	108,980	23,549	0	83,014	106,563
Gain on revaluation of property, plant and equipment	0	58,448	0	58,448	0	58,448	0	58,448
Actuarial gain/(loss) on defined benefit plans	0	0	1,129	1,129	0	0	1,129	1,129
Distribution from subsidiary	0	0	0	0	0	0	141	141
Other adjustments	0	0	1,633	1,633	0	0	0	0
Total comprehensive income	23,549	58,448	88,193	170,190	23,549	58,448	84,284	166,281
Balance at 31 December 2020	708,877	555,305	3,608,814	4,872,996	708,877	553,992	3,600,145	4,863,014
2021								
Balance at 1 January 2021								
Net result after income tax from continuing operations	174,478	0	875,230	1,049,708	174,478	0	873,584	1,048,062
Gain on revaluation of property, plant and equipment	0	231,992	0	231,992	0	231,992	0	231,992
Actuarial gain/(loss) on defined benefit plans	0	0	6,209	6,209	0	0	6,209	6,209
Other adjustments	0	0	(1,701)	(1,701)	0	0	(1,701)	(1,701)
Total comprehensive income	174,478	231,992	879,738	1,286,208	174,478	231,992	878,092	1,284,562
Balance at 31 December 2021	883,355	787,297	4,488,552	6,159,204	883,355	785,984	4,478,237	6,147,576

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

The University of Sydney
Statement of cash flows
for the year ended 31 December 2021

	Notes	Economic entity (Consolidated)		Parent entity (University)	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Cash flows from operating activities					
Australian Government grants		1,154,440	1,015,055	1,154,440	1,015,055
State and local government grants		46,654	51,028	46,654	51,028
HECS-HELP student payments		34,113	33,701	34,113	33,701
Receipts from student fees and other customers (inclusive of GST)		1,992,550	1,733,481	1,992,550	1,733,481
Dividends received		143,796	106,875	143,796	106,875
Interest received		7,251	10,994	7,251	10,994
Interest and other costs of finance		(22,116)	(28,755)	(22,116)	(28,755)
Other investment funds received/(paid)		21,216	(12,835)	21,216	(12,835)
Payments for low value leases		(1,155)	(4,090)	(1,155)	(4,090)
Payments for employee-related expenses		(1,598,375)	(1,505,535)	(1,598,375)	(1,505,535)
Payments to suppliers (inclusive of GST)		(833,624)	(742,195)	(833,624)	(742,195)
Net cash provided by/(used in) operating activities	32	944,750	657,724	944,750	657,724
Cash flows from investing activities					
Proceeds from sale of financial assets		724,811	1,107,742	724,811	1,107,742
Proceeds from sale of property, plant and equipment and intangibles		104,776	8,322	104,776	8,322
Payments to acquire property, plant and equipment and intangibles		(96,239)	(292,204)	(96,239)	(292,204)
Payments for financial assets		(894,568)	(1,210,722)	(894,568)	(1,210,722)
Net cash provided by/(used in) investing activities		(161,220)	(386,862)	(161,220)	(386,862)
Cash flows from financing activities					
Repayment of borrowings		(200,000)	0	(200,000)	0
Payments of lease liabilities		(19,672)	(17,834)	(19,672)	(17,834)
Net cash provided by/(used in) financing activities		(219,672)	(17,834)	(219,672)	(17,834)
Net increase/(decrease) in cash and cash equivalents		563,858	253,028	563,858	253,028
Cash and cash equivalents at beginning of financial year		817,739	565,169	817,739	565,169
Effects of exchange rate changes on cash and cash equivalents		188	(458)	188	(458)
Cash and cash equivalents at end of the financial year	13	1,381,785	817,739	1,381,785	817,739
Financing facilities and balances			33(d)		

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

The University of Sydney
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for the year ended 31 December 2021

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1 Basis of preparation of the financial statements

The principal accounting policies adopted in the preparation of these financial statements are set out below and where applicable throughout the notes to the accounts. These can be identified in the text body as italicised text. These policies have been consistently applied, unless otherwise stated.

The principal address of the University of Sydney is: The University of Sydney, NSW, 2006.

The financial statements were authorised for issue, under the delegation of the Senate, on 19 March 2022.

(a) Basis of preparation

These financial statements represent the audited general purpose financial statements of the University of Sydney (the 'University'). They have been prepared on an accrual accounting basis in accordance with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board, the requirements of the *Higher Education Support Act 2003* (Financial Statement Guidelines), the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2018*, the *Australian Charities and Not-for-profits Commission Act 2012*, and the *Australian Charities and Not-for-profits Commission Regulation 2013*.

These financial statements are financial statements for the consolidated entity comprising the University of Sydney and its controlled entities. They are presented in Australian dollars which is the University's functional and presentation currency.

The University of Sydney applies Tier 1 reporting requirements.

(i) Compliance with International Financial Reporting Standards (IFRS)

The University of Sydney is a not-for-profit entity and these financial statements have been prepared on that basis. Some requirements of the Australian Accounting Standards applicable to not-for-profit entities are inconsistent with IFRS.

(ii) Historical cost convention

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

(iii) Critical accounting estimates

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. All significant estimates or assumptions made in the preparation of the financial statements are described in the relevant accounting policy notes. These are listed below:

- i) Note 4 - Australian Government financial assistance
- ii) Note 5 - State and local government financial assistance
- iii) Note 8 - Consultancy and contracts
- iv) Note 17 - Property, plant and equipment
- v) Note 20 - Trade and other liabilities
- vi) Note 21 - Borrowings
- vii) Note 22 - Provisions
- viii) Note 28 - Defined benefit plans
- ix) Note 34 - Fair value measurement

(iv) Rounding amounts

Amounts in the financial statements and notes to the financial statements have, unless otherwise stated, been rounded to the nearest thousand dollars.

(v) Comparative amounts

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

(vi) Foreign currency transactions and balances

Foreign currency transactions are translated into Australian currency at rates of exchange ruling at the dates of the transaction. Amounts receivable and payable in foreign currency at reporting date are translated at the rates of exchange ruling on that date. Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account as exchange gains or losses in the income statement.

(vii) Income tax

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

1 Basis of preparation of the financial statements (continued)

(b) Basis of consolidation

The consolidated financial statements represent the financial statements of the parent entity, being the University of Sydney, and the assets, liabilities and results of all entities it controlled in accordance with *AASB 10 Consolidated Financial Statements* at the end of or during the financial year, and are together referred to as the consolidated entity. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Controlled entities are 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 entities are eliminated. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the group.

A list of controlled entities is contained in Note 29(b) to the financial statements.

(c) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the item of 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 ATO is included as a current asset or liability in the Statement of financial position.

Cash flows are included in the Statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows.

(d) Underpaid Staff Entitlement Remediation Accrual

During the second quarter 2020, a review of employee wage and salary entitlements identified that certain employees covered by the University's Enterprise Agreement 2018-2021 (EA) were paid less than their correct entitlements in certain instances. While the review is continuing and the extent of the remediation required is not yet complete, as at 31 December 2021 the University has recognised an accrual for the remediation of the underpaid staff entitlements of \$21.2m (2020: \$31.1m). Remediation payments totaling \$10.9m (2020: \$Nil) have been made to the affected staff during the year, with the remaining balance expected to be paid in Q1 and Q2 2022.

The University has diligently reviewed payroll data for the 2014-2019 period for payment shortfalls, and for the impact of any continuing issues in 2020-2021 and for which the University has a statutory obligation to report. The calculations of the salary payment shortfall involve a substantial volume of data, a high degree of complexity, interpretation and estimation, and are subject to further analysis of prior periods and the Fair Work Ombudsman's ongoing investigation.

2 Financial reporting impacts of COVID-19

The COVID-19 pandemic has impacted the University's financial performance in 2021, although that impact has been ameliorated by several significant factors that have contributed to the strong operating performance. The favourable operating result was driven by strong international student fee income with growth in student enrolments. Exceptional investment performance during the year has made further substantial contributions (Noting that most of the investment income generated is required to be held in trust to meet the purpose of the endowed gifts that give rise to the capital invested. That income is not therefore available to support the University's continuing day to day operations). In addition, several significant one-off transactions including the receipt of \$95M of Commonwealth research funding and the disposal of commercial properties has made further contributions.

Continuing savings measures introduced by the University at the beginning of the pandemic including deferral of infrastructure investment, reducing or eliminating the use of consultants, carefully managing repair and maintenance activity, reducing capital expenditure for equipment acquisition and cancelling all non-essential travel have all contributed. Coupled with the exceptional work undertaken by staff to retain and attract students during 2021, these savings measures have materially reduced the impact of the pandemic upon the University.

Whilst COVID-19 has impacted our student's learning experience, both students and staff have continued to demonstrate extraordinary resilience and capacity to adapt quickly to new ways of learning and teaching.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2021
(continued)

3 Revenue and income from continuing operations

(a) Disaggregation of revenue and income from continuing operations (excluding investment revenue and other investment income)

Economic entity (Consolidated) and Parent entity (University)

The University derives revenue and income from:

2021	Australian Government financial assistance \$'000	State and local government financial assistance \$'000	Fees and charges \$'000	HECS-HELP - student payments \$'000	HECS-HELP Government payments \$'000	Consultancy and contracts \$'000	Royalties, trademarks and licences \$'000	Donations and bequests \$'000	Other \$'000	Total revenue from contracts with customers \$'000	Total income of not-for-profit entities \$'000
Revenue and income streams											
Course fees and charges											
Domestic undergraduate students	0	0	2,062	34,113	191,337	0	0	0	0	227,512	0
Onshore overseas undergraduate students	0	0	618,363	0	0	0	0	0	0	618,363	0
Domestic postgraduate students	0	0	38,652	0	87,343	0	0	0	0	125,995	0
Onshore overseas postgraduate students	0	0	736,000	0	0	0	0	0	0	736,000	0
Continuing education	0	0	10,226	0	0	0	0	0	0	10,226	0
Other course fees and charges	0	0	20,998	0	0	0	0	0	0	20,998	0
Total course fees and charges	0	0	1,426,301	34,113	278,680	0	0	0	0	1,739,094	0
Research income	201,373	37,399	0	0	0	142,302	0	40,819	6,870	338,697	90,066
Recurring government grants	597,456	0	0	0	0	0	0	0	0	359	597,097
Non-course fees and charges											
Student residences	0	0	11,384	0	0	0	0	0	0	11,384	0
Student amenities	0	0	15,964	0	0	0	0	0	0	15,964	0
Other	0	0	21,647	0	0	0	0	0	0	21,647	0
Total non-course fees and charges	0	0	48,995	0	0	0	0	0	0	48,995	0
Other											
Royalties, trademarks and licences	0	0	0	0	0	0	4,642	0	0	4,642	0
Other	33,443	0	0	0	0	6,504	0	37,042	69,363	50,942	95,400
Total Other	33,443	0	0	0	0	6,504	4,642	37,042	69,363	55,584	95,400
Total revenue from contracts with customers	208,086	31,814	1,475,296	34,113	278,680	119,312	4,642	1,362	29,424	2,182,729	0
Total income of not-for-profit entities	624,176	5,585	0	0	0	29,494	0	76,499	46,809	0	782,563
Total revenue and income	832,262	37,399	1,475,296	34,113	278,680	148,806	4,642	77,861	76,233	2,182,729	782,563

3 Revenue and income from continuing operations (continued)

	Economic entity (Consolidated) and Parent entity (University)										Total revenue from contracts with customers \$'000	Total income of not-for-profit entities \$'000
2020	Australian Government financial assistance \$'000	State and local government financial assistance \$'000	Fees and charges \$'000	HECS-HELP student payments \$'000	HECS-HELP Government payments \$'000	Consultancy and contracts \$'000	Royalties, trademarks and licences \$'000	Donations and bequests \$'000	Other \$'000			
Revenue and income streams												
Course fees and charges												
Domestic undergraduate students	0	0	1,263	33,701	193,563	0	0	0	0	228,527	0	0
Onshore overseas undergraduate students	0	0	484,016	0	0	0	0	0	0	484,016	0	0
Domestic postgraduate students	0	0	29,955	0	71,724	0	0	0	0	101,679	0	0
Onshore overseas postgraduate students	0	0	621,144	0	0	0	0	0	0	621,144	0	0
Continuing education	0	0	10,293	0	0	0	0	0	0	10,293	0	0
Other course fees and charges	0	0	20,144	0	0	0	0	0	0	20,144	0	0
Total course fees and charges	0	0	1,166,815	33,701	265,287	0	0	0	0	1,465,803	0	0
Research income	143,720	33,127	0	0	0	126,800	0	66,198	8,475	258,283	120,037	
Recurring government grants	500,421	0	0	0	0	0	0	0	0	1,420	499,001	
Non-course fees and charges												
Student residences	0	0	18,029	0	0	0	0	0	0	18,029	0	0
Student amenities	0	0	13,650	0	0	0	0	0	0	13,650	0	0
Other	0	0	16,841	0	0	0	0	0	0	16,841	0	0
Total non-course fees and charges	0	0	48,520	0	0	0	0	0	0	48,520	0	0
Other												
Royalties, trademarks and licences	0	0	0	0	0	0	6,850	0	0	6,850	0	0
Other	35,872	0	0	0	0	10,433	0	58,764	70,042	62,825	112,286	
Total Other	35,872	0	0	0	0	10,433	6,850	58,764	70,042	69,675	112,286	
Total revenue from contracts with customers	151,801	25,207	1,215,335	33,071	265,287	96,922	6,850	0	48,598	1,843,701	0	0
Total income of not-for-profit entities	528,212	7,920	0	0	0	40,311	0	124,962	29,919	0	731,324	
Total revenue and income	680,013	33,127	1,215,335	33,071	265,287	137,233	6,850	124,962	78,517	1,843,701	731,324	

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

(a) Australian Government grants

		Economic entity (Consolidated)		Parent entity (University)	
	Notes	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Commonwealth Grant Scheme	37(a)	317,763	317,224	317,763	317,224
Other grants	37(a)	13,933	4,723	13,933	4,723
Research Training Program	37(c)	91,933	93,517	91,933	93,517
Research Support Program	37(c)	182,576	84,958	182,576	84,958
Australian Research Council	37(e)	41,516	38,656	41,516	38,656
National Health and Medical Research Council		77,936	76,496	77,936	76,496
Other Commonwealth research funding		83,139	39,019	83,139	39,019
Other Commonwealth non-research funding		23,466	25,420	23,466	25,420
Total Australian Government grants		832,262	680,013	832,262	680,013

(b) Higher Education Loan Programs

HECS-HELP		187,063	189,363	187,063	189,363
FEE-HELP		87,441	71,835	87,441	71,835
SA-HELP	37(h)	4,176	4,089	4,176	4,089
Total Higher Education Loan Programs	37(b)	278,680	265,287	278,680	265,287
Total Australian Government financial assistance		1,110,942	945,300	1,110,942	945,300

Research

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction. Research grants are considered to be within the scope of AASB 15 Revenue from Contracts with Customers if they meet the enforceability criteria due to the existence of refund clauses in the agreements with the grantor and the promises to transfer goods or services to the customer (or on behalf of the customer), and are sufficiently specific as the University has the obligation to provide:

- Comprehensive research findings during or after completion
- Access to research materials throughout the contract period to the grantor
- Publication of research data and results on an ongoing basis in an open access repository, if requested by the grantor
- A licence or transfer of intellectual property if requested by the grantor.

Depending on the nature of the promise, the University either recognises revenue at a point in time when the promise is delivered (e.g. when the research findings are published) or recognises revenue over time as the service is performed (e.g. as the customer obtains control of the intellectual property as it is created). Generally, research contract revenue is recognised over time using an input methodology, being expenditure incurred to date for the project.

There is no significant financing component as research contracts typically have a life span of less than three years on average. The consideration is mostly fixed without highly probable variable components.

Other Grants

Revenue recognition for other non-research funding noted above is determined by reference to the specific contract terms including enforceability and existence of sufficiently specific performance obligations. This funding has been determined to not meet this criteria and as a result the revenue is recognised upon receipt.

5 State and local government financial assistance

	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Non-capital				
State government research grants	33,209	28,237	33,209	28,237
Other	4,190	4,890	4,190	4,890
Total non-capital	37,399	33,127	37,399	33,127
Capital				
Total capital	0	0	0	0
Total state and local government financial assistance	37,399	33,127	37,399	33,127

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Notes to the financial statements
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(continued)

6 Fees and charges

	Note	Economic entity (Consolidated)		Parent entity (University)	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Course fees and charges					
Fee-paying onshore overseas students*		1,354,362	1,105,160	1,354,362	1,105,160
Continuing education		10,226	10,293	10,226	10,293
Fee-paying domestic postgraduate students		38,422	29,717	38,422	29,717
Fee-paying domestic undergraduate students		1,163	536	1,163	536
Students undertaking non-award courses		1,130	965	1,130	965
Other course fees and charges		20,997	20,144	20,997	20,144
Total course fees and charges		1,426,300	1,166,815	1,426,300	1,166,815
Other non-course fees and charges					
Student residences		11,384	18,029	11,384	18,029
Student Services and Amenities Fees from students	37(h)	15,964	13,650	15,964	13,650
Other non-course fees and charges		21,648	16,841	21,648	16,841
Total non-course fees and charges		48,996	48,520	48,996	48,520
Total fees and charges		1,475,296	1,215,335	1,475,296	1,215,335

* Note: Fee-paying onshore overseas students includes students that were temporarily located overseas due to the pandemic, but were enrolled in a course provided in Australia.

Student fees are recognised as revenue in the relevant session. Revenue from rendering services is recognised over time in the period in which the service is provided, having regard to the stage of completion of the service.

When the course or training has been paid in advance by students, or the University has received government funding in advance (e.g. before starting the academic period) the University recognises a contract liability until the service is provided.

Rental income from operating leases included in Other non-course fees and charges above is recognised on a straight-line basis over the lease term.

7 Investment revenue and income

	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Distributions from managed funds	115,556	83,471	115,556	83,471
Dividends received*	110,622	13,823	110,622	13,823
Interest received	7,251	10,994	7,251	10,994
Total investment revenue	233,429	108,288	233,429	108,288
Change in fair value of financial assets designated at fair value through profit or loss**	211,748	(27,001)	211,748	(27,001)
Realised gain/(loss) on financial assets at fair value through profit or loss	21,216	(12,835)	21,216	(12,835)
Total other investment income/(loss)	232,964	(39,836)	232,964	(39,836)
Total investment income	466,393	68,452	466,393	68,452

Investment income is recognised as it is earned.

* Note: Dividend income of \$83.4M (including franking credits receivable) arose from the distribution of IDP Limited shares and dividends paid by Education Australia to the University.

** Note: The investment in Education Australia has been written down by \$50.1M to reflect the resulting reduction in value of Education Australia.

The University of Sydney
Notes to the financial statements
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(continued)

8 Consultancy and contracts

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Consultancy	6,503	10,433	6,503	10,433
Contract research	142,303	126,800	142,303	126,800
Total consultancy and contracts	148,806	137,233	148,806	137,233

Consultancy revenue is recognised in the period in which the service is provided, having regard to the stage of completion of the service. Refer to Note 4(b) for the accounting policy on research funding.

9 Other revenue

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Bequests and donations	77,861	124,961	77,861	124,961
Contributions (external organisations)	36,174	43,409	36,174	43,409
Farms	9,868	4,335	9,868	4,335
Reimbursement income	9,260	10,222	9,260	10,222
Shop sales	2,395	1,755	2,395	1,755
Veterinary/medical practice income	7,120	8,171	7,120	8,171
Other revenue	11,416	10,626	11,416	10,626
Total other revenue	154,094	203,479	154,094	203,479

Other revenue is brought to account as it is earned and is recognised when the goods and services are provided. Bequests and donations are recognised on receipt as there are no enforceable contracts entered into or no sufficiently specific performance obligations between the University and the donor.

10 Gain on disposal of assets

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Proceeds from sale	194,004	8,323	194,004	8,323
Carrying amount of assets sold	(94,450)	(7,370)	(94,450)	(7,370)
Net gain/(loss) on disposal of assets	99,554	953	99,554	953

On 30 June 2021, Transport for NSW ("TfNSW"), by Government Gazette notice, compulsorily acquired 38.6ha of land, together with acquiring leasehold interest in other parts of land owned by the University. TfNSW has determined a market value of \$48,110k as compensation. The University has valued this land independently at a higher value. A claim was lodged on 13 August 2021 with the Valuer-General NSW. On 20 August 2021, Sydney Water, by Government Gazette notice, compulsorily acquired 77.9ha of land and easement access in other parts of land owned by the University. Sydney Water has determined a market value of \$39,980k as compensation for the compulsory acquisition. The University has lodged a further claim with the Valuer-General NSW for a higher value.

As a result of the above two transactions, the University has recognised proceeds from sale of \$88,090k and a gain of \$38,451k using the expected value method. This is subject to the constraint that revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. The University remains of the opinion that the land is more valuable than that determined by the Valuer-General NSW or offered by the acquiring parties, and is pursuing compensation. Until such time those claims have been finalised, the University can only recognise the income subject to this constraint and will reassess as the claims are finalised.

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Notes to the financial statements
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(continued)

11 Employee-related expenses

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Academic				
Salaries	562,455	551,808	562,455	551,808
Contributions to superannuation schemes				
Contributions to funded schemes	42,156	41,693	42,156	41,693
Contributions to unfunded schemes	47,911	49,075	47,911	49,075
Payroll tax	33,465	37,009	33,465	37,009
Workers' compensation	1,936	1,831	1,936	1,831
Long service leave expense	8,416	22,876	8,416	22,876
Annual leave	27,129	55,586	27,129	55,586
Termination payments	13,325	24,840	13,325	24,840
Total academic	736,793	784,718	736,793	784,718
Non-academic				
Salaries	551,433	528,822	551,433	528,822
Contributions to superannuation schemes				
Contributions to funded schemes	39,444	38,161	39,444	38,161
Contributions to unfunded schemes	44,829	44,918	44,829	44,918
Payroll tax	29,672	33,001	29,672	33,001
Workers' compensation	1,236	1,173	1,236	1,173
Long service leave expense	9,246	17,971	9,246	17,971
Annual leave	26,879	53,220	26,879	53,220
Termination payments	11,474	7,646	11,474	7,646
Total non-academic	714,213	724,912	714,213	724,912
Employee related expenses	1,451,006	1,509,630	1,451,006	1,509,630
Deferred employee benefits for superannuation*	53	(16)	53	(16)
Total employee related expenses	1,451,059	1,509,614	1,451,059	1,509,614

* Includes income of \$53k (2020: expense of \$16k) for the Professorial Superannuation Scheme. Refer to Note 22(c) for accounting policies on employee benefits.

12 Other expenses

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Advertising, marketing and promotional expenses	10,416	8,015	10,416	8,015
Asset retirements	13,494	3,004	13,494	3,004
Audit fees, bank charges, legal costs, insurance and taxes	17,576	13,210	17,576	13,210
Communications	10,315	10,850	10,315	10,850
Farm operations	15,573	19,531	15,573	19,531
Library materials	8,001	6,926	8,001	6,926
Laboratory, medical supplies and materials	23,771	25,407	23,771	25,407
Licences, patents, copyright and commissions	58,321	51,805	58,321	51,805
Non-capitalised equipment	25,284	21,496	25,284	21,496
Operating leases and rental expenses	1,156	4,090	1,156	4,090
Printing and stationary	9,842	8,993	9,842	8,993
Rents	7,477	6,694	7,477	6,694
Software licences	41,810	33,655	41,810	33,655
Travel, staff development and training	11,326	13,265	11,326	13,265
Utilities and rates	39,202	44,082	39,202	44,082
Other expenses	15,500	16,112	15,500	16,112
Total other expenses	309,064	287,135	309,064	287,135

The University of Sydney
Notes to the financial statements
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(continued)

13 Cash and cash equivalents

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	432,736	436,482	432,736	436,482
Short term deposits at call	918,199	353,294	918,199	353,294
Restricted cash	30,850	27,963	30,850	27,963
Total cash and cash equivalents in the Statement of financial position and Statement of cash flows*	1,381,785	817,739	1,381,785	817,739

As at 31 December 2021, the amount of cash and cash equivalents held by the University that was subject to capital preserved trust restrictions was \$30,850k (2020: \$27,963k).

* These are interest bearing at a variable average rate of 0.25% (2020: 0.41%).

Cash and cash equivalents include cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

14 Receivables and contract assets

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Trade receivables [^]	146,232	42,339	146,232	42,339
Student fees and loans	15,782	14,510	15,782	14,510
Less: allowance for expected credit losses	(9,703)	(7,854)	(9,703)	(7,854)
Total trade receivables	152,311	48,995	152,311	48,995
Accrued income and other receivables [#]	44,303	13,925	44,303	13,925
Contract assets	263	573	263	573
Deferred government benefits for superannuation*	28(d) 93,135	94,624	28(d) 93,135	94,624
Total other receivables	137,701	109,122	137,701	109,122
Total current receivables	290,012	158,117	290,012	158,117
Non-current				
Deferred government benefits for superannuation*	28(d) 1,345,188	1,441,969	28(d) 1,345,188	1,441,969
Super Asset Plan (Professorial Superannuation System)	28(d) 10,128	5,678	28(d) 10,128	5,678
Other receivables	302	393	302	393
Total non-current receivables	1,355,618	1,448,040	1,355,618	1,448,040

[^] Note: A receivable of \$88.1M is currently outstanding relating to the compulsory acquisition of land by Transport for NSW and Sydney Water (see Note 10).

[#] Note: A franking credit receivable of \$25.0M is outstanding in respect to the distribution of IDP shares and dividends paid by Education Australia (see Note 7).

*The University contributes to three superannuation schemes within the State Authorities Superannuation Trustee Corporation, see Note 28(f). These are subject to reimbursement arrangements under the *Higher Education Support Act 2003*, in the proportion of 78:22 between the Commonwealth and NSW governments respectively.

Trade receivables

As at 31 December 2021 current receivables of the University with a nominal value of \$9,703k (2020: \$7,854k) were impaired.

The amount of the provision that relates to specific expected credit losses was \$9,066k (2020: \$7,283k). The individually impaired receivables mainly relate to private sector organisations' expected credit loss due to unexpected difficult economic situations.

The remaining provision of \$637k (2020: \$571k) is a provision for a portion of receivables over ninety days where it was assessed that this portion of the receivables is not expected to be recovered.

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(continued)

14 Receivables and contract assets (continued)

Trade receivables (continued)

As at 31 December 2021 trade receivables of \$17,968k (2020: \$20,424k) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The ageing analysis of these receivables is as follows:

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Under 3 months	12,413	10,943	12,413	10,943
3 to 6 months	4,279	6,560	4,279	6,560
6 to 12 months	1,127	2,411	1,127	2,411
Over 12 months	149	510	149	510
Total past due but not impaired receivables	17,968	20,424	17,968	20,424

Set out below are the movements in the allowance for expected credit losses of trade receivables and contract assets:

At 1 January	7,854	11,089	7,854	11,089
Provision for expected credit losses	1,937	(2,738)	1,937	(2,738)
Receivables written off	(88)	(497)	(88)	(497)
At 31 December	9,703	7,854	9,703	7,854

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method less allowance for expected credit losses.

Impairment

Because of the short-term nature of trade receivables and contract assets the University applies a simplified approach in calculating expected credit losses. The University does not track changes in credit risk on an individual basis, but instead recognises a loss allowance based on lifetime expected credit losses for trade receivables on a collective basis at each reporting date. The University has established a provision matrix that is based on its historical credit loss experience, adjusted where necessary for forward-looking factors specific to the debtor and the economic environment.

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Contract assets				
Contract assets - current	263	573	263	573

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 conditional on something other than the passage of time.

15 Non-current assets held for sale

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Non-current assets held for sale	17,087	0	17,087	0
Total non-current assets held for sale	17,087	0	17,087	0

The below properties have been classified as non-current assets held for sale in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* at 31 December 2021. The respective buildings are:

- Arundel Terraces
- Chapman Steps Terraces
- Selle House (28 Parramatta Road)
- Mackie Building
- 431 Glebe Point Road

These non-current assets have been classified as non-current assets held for sale and are measured at the lower of their carrying amounts and fair values less cost to sell, at year end. Non-current assets held for sale (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale.

16 Other financial assets

Current

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Other financial assets at fair value through profit or loss				
Forwards and futures	0	1,277	0	1,277
Total current other financial assets through profit or loss	0	1,277	0	1,277

Non-current

Other financial assets at fair value through profit or loss

Listed securities	321,245	257,965	321,245	257,965
External fund managers*	1,809,710	1,406,455	1,809,710	1,406,455
Floating rate notes	45,883	45,846	45,883	45,846
Convertible notes	2,702	5,096	2,702	5,096
Shares in unlisted companies	4,487	52,888	20,558	67,005
Total non-current other financial assets at fair value through profit or loss	2,184,027	1,768,250	2,200,098	1,782,367

Financial assets at amortised cost

Loans receivable	2,681	3,341	2,681	3,341
Total non-current other financial assets at amortised cost	2,681	3,341	2,681	3,341
Total non-current other financial assets	2,186,708	1,771,591	2,202,779	1,785,708
Total other financial assets	2,186,708	1,772,868	2,202,779	1,786,985

* Includes unlisted managed investment schemes, unlisted partnerships and unlisted equities.

Restricted other financial assets

As at 31 December 2021, the University of Sydney held financial assets subject to restrictions of \$824,520k (2020: \$638,335k). These amounts relate to donations and bequests from donors for the purpose of funding research, scholarships and prizes.

16 Other financial assets (continued)

Financial assets at fair value through profit or loss

Financial assets 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 marketable securities, unit trusts and debt instruments. They are included in non-current assets unless the maturity date of the asset is within twelve months of the reporting date. Financial assets at fair value through profit or loss are initially recognised at fair value, with subsequent increases or decreases in fair value recognised in the Income statement. 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.

If the University reclassifies these assets, their fair value is determined at reclassification date. Any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in the Income statement.

Financial assets at amortised cost

Financial assets at amortised cost held for the objective of collecting contractual cash inflows on specific dates are generally in the form of principal and/or interest. They are subsequently measured using the effective interest method net of any impairment loss. When a financial asset at amortised cost is reclassified, its fair value at the reclassification date becomes its new carrying amount.

Impairment of financial assets

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

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next twelve months (a twelve-month ECL). For those credit exposures where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Loans, together with the ECL, are written off when there is no realistic prospect of future recovery. If in a subsequent year, the amount of the estimated impairment loss changes, the ECL amount is adjusted. If a write-off is later recovered, the recovery is credited to financial costs in the Income statement.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the University's consolidated Statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- 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.

17 Property, plant and equipment

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Parent entity (University)/ Economic entity (Consolidated)	Teaching and research land \$'000	Teaching research building \$'000	Teaching and research infrastructure \$'000	Commercial land \$'000	Commercial building \$'000	Commercial infrastructure \$'000	Plant and equipment \$'000	Leasehold improvement \$'000	Work in progress \$'000	Heritage assets \$'000	Library collections \$'000	Subtotal property, plant and equipment (owned) \$'000	Right-of- use assets (ROU) \$'000	Total \$'000
At 1 January 2021														
Cost	182,666	2,070,797	202,545	0	0	0	1,087,071	54,843	349,252	0	545,975	4,493,149	251,401	4,744,550
Valuation	0	0	0	395,592	307,826	3,369	0	0	0	262,243	0	969,030	0	969,030
Accumulated depreciation and impairment	0	(622,043)	(77,148)	0	0	0	(589,521)	(19,235)	0	0	(491,493)	(1,799,440)	(54,235)	(1,853,675)
Net book amount	182,666	1,448,754	125,397	395,592	307,826	3,369	497,550	35,608	349,252	262,243	54,482	3,662,739	197,166	3,859,905
Year ended 31 December 2021														
Cost and valuation:														
Additions	0	0	0	0	0	0	45,521	0	41,843	198	803	88,365	18,339	106,704
Transfer from work in progress	0	128,167	0	0	915	0	48,851	0	(181,606)	0	0	(3,673)	0	(3,673)
Donations	5,660	165	0	0	0	0	0	0	0	221	0	6,046	0	6,046
Asset disposals	0	0	0	(82,668)	(10,719)	0	(582)	0	0	0	0	(93,969)	0	(93,969)
Asset retirements	0	(11,822)	0	0	0	0	(9,870)	0	0	(10)	0	(21,702)	(13,424)	(35,126)
Held for sale transfer	0	0	0	(13,005)	(4,082)	0	0	0	0	0	0	(17,087)	0	(17,087)
Impairment	0	(66,561)	(26)	0	0	0	(1,180)	0	0	0	0	(67,767)	0	(67,767)
Revaluation increment/(decrement)	0	0	0	212,785	7,556	42	0	0	0	11,609	0	231,992	0	231,992
Non-capitalisable costs	0	0	0	0	0	0	0	0	(12,047)	0	0	(12,047)	0	(12,047)
Restatement of ROU assets	0	0	0	0	0	0	0	0	0	0	0	0	2,513	2,513
Make good assets	0	0	0	0	0	0	0	0	0	0	0	0	(5,202)	(5,202)
Writeback of accum dep (revaluation)	0	0	0	0	(8,388)	(78)	0	0	0	0	0	(8,466)	0	(8,466)
Transfers/recategorisation	0	(17)	0	(373)	772	0	(1,386)	0	(6,302)	0	0	(7,306)	0	(7,306)
Depreciation														
Depreciation	0	(50,136)	(4,262)	0	(8,649)	(78)	(95,628)	(59)	0	0	(1,511)	(160,323)	(21,852)	(182,175)
Write back accumulated depreciation on asset:														
Disposals	0	0	0	0	261	0	397	0	0	0	0	658	0	658
Retirements	0	4,608	0	0	0	0	8,277	0	0	0	0	12,885	12,323	25,208
Restatement of ROU assets	0	0	0	0	0	0	0	0	0	0	0	0	652	652
Impairment (transfer to cost)	0	31,304	3	0	0	0	824	0	0	0	0	32,131	0	32,131
Revaluation (transfer to cost)	0	0	0	0	8,388	78	0	0	0	0	0	8,466	0	8,466
Closing net book amount	188,326	1,484,462	121,112	512,331	293,880	3,333	492,774	35,549	191,140	274,261	53,774	3,650,942	190,515	3,841,457
At 31 December 2021														
Cost	188,326	2,120,729	202,519	0	0	0	1,168,425	54,843	191,140	0	546,778	4,472,760	253,627	4,726,387
Valuation	0	0	0	512,331	293,880	3,333	0	0	0	274,261	0	1,083,805	0	1,083,805
Accumulated depreciation and impairment	0	(636,267)	(81,407)	0	0	0	(675,651)	(19,294)	0	0	(493,004)	(1,905,623)	(63,112)	(1,968,735)
Net book amount	188,326	1,484,462	121,112	512,331	293,880	3,333	492,774	35,549	191,140	274,261	53,774	3,650,942	190,515	3,841,457

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17 Property, plant and equipment (continued)

Parent entity (University)/ Economic entity (Consolidated)	Teaching and research land \$'000	Teaching and research building \$'000	Teaching and research infrastructure \$'000	Commercial land \$'000	Commercial building \$'000	Commercial infrastructure \$'000	Plant and equipment \$'000	Leasehold improvement \$'000	Work in progress \$'000	Heritage assets \$'000	Library collections \$'000	Subtotal property, plant and equipment (owned) \$'000	Right-of- use assets (ROU) \$'000	Total \$'000
At 1 January 2020														
Cost	182,666	1,983,109	202,038	0	0	0	1,037,527	55,291	336,088	0	544,819	4,341,537	236,937	4,578,474
Valuation	0	0	0	336,196	317,236	3,404	0	0	0	260,215	0	917,051	0	917,051
Accumulated depreciation and impairment	0	(568,186)	(72,891)	0	0	0	(532,553)	(18,242)	0	0	(490,080)	(1,681,952)	(36,038)	(1,717,990)
Net book amount	182,666	1,414,923	129,147	336,196	317,236	3,404	504,974	37,049	336,088	260,215	54,739	3,576,636	200,899	3,777,535
Year ended 31 December 2020														
Cost and valuation:														
Additions	0	51,043	0	0	5,843	0	24,297	0	230,637	558	1,155	313,533	(355)	313,178
Transfer from work in progress	0	90,677	226	0	1,380	0	69,427	0	(189,312)	0	0	(27,602)	26,072	(1,530)
Donations	0	0	0	0	0	0	0	0	0	201	0	201	0	201
Asset disposals	0	0	0	(4,725)	(2,625)	0	(334)	0	0	0	0	(7,684)	0	(7,684)
Asset retirements	0	(761)	0	0	0	0	(38,952)	(645)	0	(1)	0	(40,359)	0	(40,359)
Impairment	0	(51,043)	0	0	0	0	0	0	0	0	0	(51,043)	0	(51,043)
Revaluation increment/(decrement)	0	0	0	64,040	(6,863)	0	0	0	0	1,271	0	58,448	0	58,448
Non-capitalisable costs	0	0	0	0	0	0	0	0	(28,160)	0	0	(28,160)	0	(28,160)
Restatement/retirement of ROU	0	0	0	0	0	0	0	0	0	0	0	0	(11,254)	(11,254)
Transfers/recategorisation	1	(2,228)	281	81	(7,144)	(35)	(4,894)	197	(1)	(1)	1	(13,742)	1	(13,741)
Depreciation														
Depreciation	0	(53,897)	(4,257)	0	(8,704)	(77)	(94,334)	(1,442)	0	0	(1,415)	(164,126)	(23,918)	(188,044)
Write back accumulated depreciation on asset:														
Disposals	0	0	0	0	7	0	307	0	0	0	0	314	0	314
Retirements	0	40	0	0	0	0	37,053	449	0	0	0	37,542	0	37,542
Restatement/retirement of ROU	0	0	0	0	0	0	0	0	0	0	0	0	5,722	5,722
Transfers/recategorisation	0	0	0	0	8,696	77	6	0	0	0	2	8,781	(1)	8,780
Closing net book amount	182,666	1,448,754	125,397	395,592	307,826	3,369	497,550	35,608	349,252	262,243	54,482	3,662,739	197,166	3,859,905
At 31 December 2020														
Cost	182,666	2,070,797	202,545	0	0	0	1,087,071	54,843	349,252	0	545,975	4,493,149	251,401	4,744,550
Valuation	0	0	0	395,592	307,826	3,369	0	0	0	262,243	0	969,030	0	969,030
Accumulated depreciation and impairment	0	(622,043)	(77,148)	0	0	0	(589,521)	(19,235)	0	0	(491,493)	(1,799,440)	(54,235)	(1,853,675)
Net book amount	182,666	1,448,754	125,397	395,592	307,826	3,369	497,550	35,608	349,252	262,243	54,482	3,662,739	197,166	3,859,905

17 Property, plant and equipment (continued)

Non-commercial assets

In accordance with AASB 116 Property, Plant and Equipment, the University has chosen to apply the cost model to value its plant and equipment, library collections and non-commercial teaching and research land, buildings and infrastructure. Cost includes expenditure directly attributable to acquisition of items. After recognition, this class of assets is carried at cost less any accumulated depreciation and any accumulated impairment losses. Non-commercial land, buildings and infrastructure are identified as assets that are subject to specific restrictions; for example, land grants, zoned specific use and specific contractual arrangements.

Commercial land, buildings and infrastructure

These are measured using the revaluation model. After recognition, this class of assets is recorded at fair value and carried at a revalued amount, being the fair value at the date of the revaluation, less any subsequent accumulated depreciation. Under the revaluation model, revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from the value determined using fair value at the reporting date. At the date of revaluation, the accumulated depreciation is eliminated against the gross carrying amount of the assets and the net amount restated to the revalued amount of the assets.

Commercial teaching and research land, buildings, and infrastructure are externally valued every year with a formal valuation occurring every three years. A full revaluation was performed this year with the next formal valuation to be undertaken at 31 December 2024. Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in equity under the heading of revaluation increment/(decrement). To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset class are also recognised in other comprehensive income to the extent of the remaining reserve attributable to the asset class. All other decreases are charged to the Income statement.

Heritage assets

Heritage assets are also measured using the revaluation model. Valuations for the University's heritage assets are performed on a cyclical basis by independent valuers.

Works in progress

Works in progress represent the cost of unoccupied and incomplete building projects and other major capital works projects at reporting date. It also includes the costs of major information technology systems developments that had not been implemented as at the reporting date.

Leasehold improvements

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

Subsequent costs

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

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.

Asset sales

Net realised gains/(losses) are included as income/(expenses) when control of the asset passes to the buyer.

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(continued)

17 Property, plant and equipment (continued)

Depreciation

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

Land is not depreciated. Depreciation is calculated on a straight-line basis. The depreciation rates are based on the estimated useful lives of the various classes of assets employed. Pro-rata depreciation is charged in the year of purchase and disposal. Depreciation rates by class of assets are as follows:

	2021	2020
Plant and equipment	10%-25%	10%-25%
Buildings and infrastructure	2%	2%
Leasehold improvements*	Various	Various
Library collections	10%	10%
Right-of-use assets*	Various	Various

* Amortisation rates applied to leasehold improvements and right-of-use assets are based on the term of the lease or the useful life, whichever is lower. The amortisation rates applied to leasehold improvements in respect of make good are based on the estimated period in which the make good will occur.

Right-of-use assets

The leases that the University has entered into as lessee are represented in three broad categories being property, equipment and motor vehicles.

Economic entity (Consolidated)/Parent entity (University)

	Property \$'000	Motor Vehicles \$'000	Equipment \$'000	Total \$'000
2021				
At 1 January 2021	193,960	289	2,917	197,166
Restatement	5,273	(15)	(2,093)	3,165
Retirement	(982)	0	(119)	(1,101)
Additions including WIP transfer	18,339	0	0	18,339
Make good asset movement	(5,202)	0	0	(5,202)
Depreciation charge	(20,932)	(215)	(705)	(21,852)
At 31 December 2021	190,456	59	0	190,515
2020				
At 1 January 2020	197,775	679	2,445	200,899
Restatement/retirement	(8,322)	15	2,774	(5,533)
Additions of right-of-use assets including WIP transfer	26,081	0	0	26,081
Make good asset movement	(363)	0	0	(363)
Depreciation charge	(21,211)	(405)	(2,302)	(23,918)
At 31 December 2020	193,960	289	2,917	197,166

Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability
- any lease payment made, or before the commencement date, less any incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the University is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The University has made a number of contributions to secure access to properties for up to 60 years. These contributions are amortised over the life of the access right.

17 Property, plant and equipment (continued)

Right-of-use assets (continued)

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

At inception of a contract, the 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.

The 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 are 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 - University as lessee

In contracts where the University is a lessee, the 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.

Concessionary and peppercorn leases

The University has a limited number of concessionary leases (leased assets that arise from significantly below market leases) where an election has been made to measure the right-of-use assets at initial recognition at cost in accordance with AASB 16 Leases. The University does not have any dependence on these concessionary leases to operate the University and as such has not disclosed any further information in relation to them.

Accounting for leases - University as lessor

The University recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

18 Intangible assets

2021

At 1 January 2021									
Cost	142,468	4,055	167,233	6,129	319,885	142,468	4,055	167,233	313,756
Accumulated amortisation and impairment	(110,394)	(1,678)	(26,832)	0	(138,904)	(110,394)	(1,678)	(26,832)	(138,904)
Net book amount	32,074	2,377	140,401	6,129	180,981	32,074	2,377	140,401	174,852
Year ended 31 December 2021									
Additions	192	0	19,766	0	19,958	192	0	19,766	19,958
Transfer from work in progress	3,673	0	0	0	3,673	3,673	0	0	3,673
Transfers and recategorisation	1,708	0	0	0	1,708	1,708	0	0	1,708
Asset retirements	(17,612)	0	0	0	(17,612)	(17,612)	0	0	(17,612)
Amortisation									
Amortisation charge	(16,126)	(167)	(16,109)	0	(32,402)	(16,126)	(167)	(16,109)	(32,402)
Writeback accumulated amortisation on retirements	12,935	0	0	0	12,935	12,935	0	0	12,935
Closing net book amount	16,844	2,210	144,058	6,129	169,241	16,844	2,210	144,058	163,112
At 31 December 2021									
Cost	130,429	4,055	186,999	6,129	327,612	130,429	4,055	186,999	321,483
Accumulated amortisation and impairment	(113,585)	(1,845)	(42,941)	0	(158,371)	(113,585)	(1,845)	(42,941)	(158,371)
Net book amount	16,844	2,210	144,058	6,129	169,241	16,844	2,210	144,058	163,112
2020									
At 1 January 2020									
Cost	152,933	4,054	147,715	6,129	310,831	152,933	4,054	147,715	304,702
Accumulated amortisation and impairment	(106,791)	(1,510)	(12,346)	0	(120,647)	(106,791)	(1,510)	(12,346)	(120,647)
Net book amount	46,142	2,544	135,369	6,129	190,184	46,142	2,544	135,369	184,055
Year ended 31 December 2020									
Additions	(588)	0	19,517	0	18,929	(588)	0	19,517	18,929
Transfer from work in progress	1,530	0	0	0	1,530	1,530	0	0	1,530
Transfers and recategorisation	4,965	1	1	0	4,967	4,965	1	1	4,967
Asset retirements	(16,372)	0	0	0	(16,372)	(16,372)	0	0	(16,372)
Amortisation									
Amortisation charge	(19,782)	(167)	(14,483)	0	(34,432)	(19,782)	(167)	(14,483)	(34,432)
Transfers and recategorisation	(6)	(1)	(3)	0	(10)	(6)	(1)	(3)	(10)
Write back accumulated depreciation on retirements	16,185	0	0	0	16,185	16,185	0	0	16,185
Closing net book amount	32,074	2,377	140,401	6,129	180,981	32,074	2,377	140,401	174,852
At 31 December 2020									
Cost	142,468	4,055	167,233	6,129	319,885	142,468	4,055	167,233	313,756
Accumulated amortisation and impairment	(110,394)	(1,678)	(26,832)	0	(138,904)	(110,394)	(1,678)	(26,832)	(138,904)
Net book amount	32,074	2,377	140,401	6,129	180,981	32,074	2,377	140,401	174,852

18 Intangible assets (continued)

Goodwill

Goodwill represents the excess of the fair value measurement of consideration transferred in an acquisition over the fair value of the University's share of the net identifiable assets of the acquiree at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. 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.

Computer software

Major computer software is recorded at historic cost less accumulated amortisation, and where applicable any impairment losses. Amortisation is provided on a straight-line basis at a rate of 14.29%.

Software-as-a-Service (SaaS) arrangements

SaaS arrangements are service contracts providing the University with the right to access the provider's application software over the contract period. As such the University does not recognise a software intangible asset at the contract commencement date.

Costs incurred in service provider selection, implementation training, data conversion and post implementation operations are expensed.

Costs incurred in customising (where the provider does not obtain IP rights) or developing links to other systems may be capitalised.

Digitised library collections

The digitised library collection (items for which the University holds a perpetual licence and are not expected to be subject to technical obsolescence or incur maintenance costs) is amortised over 10 years with 10% residual value.

Other intangible assets

Other intangible assets include the right to use assets that have been purchased, developed and/or implemented.

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 the 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.

19 Other non-financial assets

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Prepaid expense	37,697	32,047	37,697	32,047
Inventories	1,117	66	1,117	66
Total current other non-financial assets	38,814	32,113	38,814	32,113
Non-current				
Livestock				
Balance 1 January	6,741	3,202	6,741	3,202
Purchases and natural increase/revaluation	2,795	4,726	2,795	4,726
Sales and natural decrease	(1,182)	(1,187)	(1,182)	(1,187)
Total livestock	8,354	6,741	8,354	6,741
Total non-current other non-financial assets	8,354	6,741	8,354	6,741
Total other non-financial assets	47,168	38,854	47,168	38,854

The University values its livestock assets at fair value less the estimated costs to sell.

The University recognises a prepayment as an asset when payments for goods and services have been made in advance of the University obtaining a right to access those goods or services.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2021
(continued)

20 Trade and other liabilities

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Current				
Trade payables	65,579	51,843	65,579	51,843
OS-HELP liability to Australian Government	10,731	10,738	10,731	10,738
Prepaid income	147,750	131,150	147,750	131,150
Other financial liabilities	18,727	13,583	18,727	13,583
Contract liabilities	411,352	325,465	411,352	325,465
Accrued expenses	101,359	118,358	101,359	118,358
Total trade and other liabilities	755,498	651,137	755,498	651,137

Foreign currency risk

The total trade and other liabilities of the economic entity shown above includes \$699k (2020: \$1,986k) denominated in currencies other than Australian dollars.

Trade and other liabilities, including accruals not yet billed, represent liabilities for goods and services provided to the economic entity prior to the end of the reporting period which are unpaid. These amounts are unsecured and are usually settled within 30 days of recognition.

Contract liabilities

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

The unsatisfied performance obligations are expected to be satisfied within the next twelve months and therefore have been classified as current.

Revenue recognised in the reporting period that was included in the contract liability balance at start of the year was \$100,937k (2020: \$175,755k).

Transfers to enable acquisition or construction of a recognisable non-financial asset

A contract liability is also recognised where the University receives a transfer to enable the acquisition or construction of a recognisable non-financial asset. A transfer of a financial asset to enable the University to acquire or construct a recognisable non-financial asset for its own use is one that:

- a) requires the University to use that financial asset to acquire or construct a non-financial asset to identified specifications*
- b) does not require the University to transfer the non-financial asset to the transferor or other parties; and*
- c) occurs under an enforceable agreement.*

The University recognises a liability for the excess of the fair value of the transfer over any related amounts recognised and recognises income in the Income statement as it satisfies its obligations under the transfer. The income related to the construction of buildings is recognised over time as and when the building is acquired or constructed.

The University applies the requirements of AASB 9 when accounting for the financial asset (e.g. cash) received. The acquisition or construction of the non-financial asset is accounted for separately to the transfer of the financial asset, in accordance with other standards.

20 Trade and other liabilities (continued)

(a) Transfers to acquire or construct a non-financial asset

Contract liabilities include amounts received to acquire or construct a recognisable non-financial asset to be controlled by the University. These contract liabilities were \$1,580k as at December 2021 (2020: \$3,490k).

During the reporting period, there were additional receipts of \$1,580k (2020: Nil) and income of \$3,490k (2020: \$17,252k) was recognised as a result of acquiring or constructing non-financial assets.

There was no Australian Government unspent financial assistance in relation to transfers to acquire or construct a non-financial asset in the opening or closing balance for 2021.

Liabilities related to contracts with customers:

	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Contract liabilities				
Contract liabilities - Australian Government	268,368	211,477	268,368	211,477
Other contract liabilities	142,984	113,988	142,984	113,988
Total contract liabilities	411,352	325,465	411,352	325,465

21 Borrowings

	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Bonds payable	0	200,000	0	200,000
Lease liabilities	13,834	16,961	13,834	16,961
Total current borrowings	13,834	216,961	13,834	216,961
Non-current				
Bonds payable	398,569	398,129	398,569	398,129
Lease liabilities	68,724	79,560	68,724	79,560
Total non-current borrowings	467,293	477,689	467,293	477,689
Total borrowings	481,127	694,650	481,127	694,650

The fair value of borrowings at balance date was \$461,478k (2020: \$698,430k). Refer to Note 34 for fair value measurement. For an analysis of the sensitivity of borrowings to interest rate and foreign exchange risk refer to Note 33.

	Face value			
Bonds payable	\$'000	Term	Rate	Issue date
Tranche 2	200,000	10 years	3.75%	August 2015
Tranche 3	200,000	25 years	4.5%	November 2018

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 statement over the period of the borrowings using the effective interest rate method.

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

Borrowings are classified as current liabilities unless the economic entity has an unconditional right to defer settlement of the liability for at least twelve months after the balance date and does not expect to settle the liability for at least twelve months after the balance date.

Borrowing costs, including those incurred for the construction of any qualifying asset, are expensed as incurred.

21 Borrowings (continued)

University as lessee

Amounts recognised in the Income statement

	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Interest on lease liabilities	4,749	5,246	4,749	5,246
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	1,156	4,090	1,156	4,090
Total	5,905	9,336	5,905	9,336

Maturity analysis - undiscounted contractual cash flows

	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Less than one year	13,834	17,291	13,834	17,291
One to five years	32,891	39,685	32,891	39,685
More than five years	70,577	78,178	70,577	78,178
Total undiscounted contractual cash flows	117,302	135,154	117,302	135,154

Lease liability

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

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

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

Extension and termination options are included in a number of property and equipment leases across the University. These are used to maximise operational flexibility in terms of managing the assets used in the University's operations. The majority of extension and termination options held are exercisable only by the University and not by the respective lessor.

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 (leases with a lease term of 12 months or less) and leases of low-value assets (assets with an original cost less than \$10k). The University recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

21 Borrowings (continued)

University as lessee (continued)

Amounts recognised in Statement of cash flows

	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Net financing cash outflow for leases	19,672	17,834	19,672	17,834
Total net financing cash outflow for leases	19,672	17,834	19,672	17,834

22 Provisions

(a) Provisions

	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave	105,302	121,705	105,302	121,705
Long service leave	35,247	43,405	35,247	43,405
Defined benefit obligation	93,135	94,624	93,135	94,624
Provision for termination payment	1,173	28,924	1,173	28,924
Provision for make good	11,696	6,443	11,696	6,443
Deferred payroll tax provisions	1,626	1,666	1,626	1,666
Building rectification provisions	49,449	56,885	49,449	56,885
Subtotal	297,628	353,652	297,628	353,652
Current provisions expected to be settled after more than 12 months				
Employee benefits				
Annual leave	10,737	2,999	10,737	2,999
Long service leave	162,574	168,084	162,574	168,084
Subtotal	173,311	171,083	173,311	171,083
Total current provisions	470,939	524,735	470,939	524,735
Non-current provisions				
Employee benefits				
Long service leave	50,335	48,948	50,335	48,948
Defined benefit obligation	1,348,451	1,446,717	1,348,451	1,446,717
Provision for make good	18,246	26,464	18,246	26,464
Deferred payroll tax provisions	26,658	28,827	26,658	28,827
Total non-current provisions	1,443,690	1,550,956	1,443,690	1,550,956
Total provisions	1,914,629	2,075,691	1,914,629	2,075,691

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2021
(continued)

22 Provisions (continued)

(b) Movements in provisions

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

	Economic entity (Consolidated)			Parent entity (University)		
	Make good provisions	Deferred payroll tax	Building rectification	Make good provisions	Deferred payroll tax	Building rectification
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2021						
Carrying amount at 1 January	32,907	30,493	56,885	32,907	30,493	56,885
Unused amounts reversed	(1,948)	0	(1,215)	(1,948)	0	(1,215)
Amount used	(1,017)	(2,209)	(6,221)	(1,017)	(2,209)	(6,221)
Carrying amount at 31 December	29,942	28,284	49,449	29,942	28,284	49,449
2020						
Carrying amount at 1 January	27,591	31,671	0	27,591	31,671	0
Additional provisions recognised	5,316	0	56,885	5,316	0	56,885
Amount used	0	(1,178)	0	0	(1,178)	0
Carrying amount at 31 December	32,907	30,493	56,885	32,907	30,493	56,885

(c) Employee benefits

Current provisions

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

The liability for other long-term benefits is recognised in current provisions for employee benefits if they are expected to be settled wholly before twelve months after the end of the reporting period. Other long-term employee benefits include such entitlements as annual leave, accumulating sick leave and long service leave liabilities.

Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates payable.

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

Non-current provisions

Other long-term employee benefits are 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.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for those benefits. The University 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 a formally accepted offer of voluntary redundancy. Benefits falling due within twelve months are valued at their nominal amounts and amounts falling due more than twelve months after the reporting date are discounted to their net present values.

(d) Other provisions

Provisions are recognised when the economic entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the liability. The liability is reassessed each reporting period and the resulting change in value is recorded as a finance cost.

Make good provisions

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

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2021
(continued)

23 Reserves

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment revaluation reserve	785,985	553,993	785,984	553,992
Associates reserves	1,312	1,312	0	0
Balance at 31 December	787,297	555,305	785,984	553,992
Movements:				
Property, plant and equipment revaluation reserve				
Balance at 1 January	553,993	495,545	553,992	495,544
Gain on revaluation of property, plant and equipment	231,992	58,448	231,992	58,448
Balance at 31 December	785,985	553,993	785,984	553,992
Associates reserve				
Balance at 1 January	1,312	1,312	0	0
Less: transfers from reserves	0	0	0	0
Balance at 31 December	1,312	1,312	0	0

The University has the following reserves:

(i) Property, plant and equipment revaluation reserve

This reserve is used to account for the increases or decreases in the value of assets as a result of revaluations. Increases in the value of reserves are in accordance with the valuation of assets policies stated in Note 17. Decrements in reserves are either on revaluation of assets, or on disposal of assets where the disposed asset had previously been revalued and a reserve existed or on impairment of assets in accordance with AASB 136 Impairment of Assets, where a revaluation reserve had existed for that asset class.

(ii) Associates reserve

This represents the reserves held by associated entities and is recognised in the consolidated financial statements using the equity method of accounting (see Note 31).

24 Key management personnel disclosures

(a) Responsible persons, executive officers and other key management personnel

The Senate of the University oversees all major decisions concerning the conduct of the University, including staff appointments and welfare, student welfare and discipline, financial matters and the physical and academic development of the University. Apart from members of staff serving on Senate receiving remuneration as per their employment conditions, the Fellows of Senate received no remuneration in their capacity as Fellows of Senate. A list of the Fellows of Senate is included in the University's Annual Report.

The following persons were principal officers of The University of Sydney during the periods under review:

Dr M Spence AC (to 31 December 2020)	Professor M Scott AO (From 19 July 2021)
Ms R Murray	Professor S Garton AM (to 16 December 2021)
Professor P Pattison AO (to 31 December 2021)	Professor L Jackson-Pulver AM
Mr S Phillips	Ms T Rhodes-Taylor
Mr R Fisher AM (to 31 December 2021)	Ms R Ogilvie
Professor D Ivison	Professor A Jagose (From 18 October 2021)
Professor B Messerle (to 8 September 2020)	

24 Key management personnel disclosures (continued)

(a) Responsible persons, executive officers and other key management personnel (continued)

	Economic entity (Consolidated)		Parent entity (University)	
	2021 Number	2020 Number	2021 Number	2020 Number
Remuneration of principal officers				
\$405,000 to \$419,999	1	0	1	0
\$465,000 to \$479,999	1	0	1	0
\$495,000 to \$509,999	2	0	2	0
\$525,000 to \$539,999	2	2	2	2
\$555,000 to \$569,999	0	1	0	1
\$585,000 to \$599,999	0	1	0	1
\$630,000 to \$644,999	1	1	1	1
\$660,000 to \$ 674,999	1	0	1	0
\$690,000 to \$704,999	1	0	1	0
\$705,000 to \$719,999	0	1	0	1
\$720,000 to \$734,999	1	0	1	0
\$750,000 to \$764,999	0	1	0	1
\$825,000 to \$839,999	0	1	0	1
\$885,000 to \$899,999	0	1	0	1
\$945,000 to \$959,999	0	1	0	1
\$1,155,000 to \$1,169,999	1	0	1	0
\$1,530,000 to \$1,544,999	0	1	0	1
	11	11	11	11

(b) Key management personnel compensation

	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Short-term employee benefits	5,425	5,953	5,425	5,953
Post-employment benefits	891	1,028	891	1,028
Other long-term benefits	287	226	287	226
Termination benefits	244	312	244	312
Total key management personnel compensation	6,847	7,519	6,847	7,519

(c) Loans to key management personnel

The University has not made any loans to key management personnel.

(d) Other transactions with key management personnel

There are no other transactions between the University and key management personnel.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2021
(continued)

25 Remuneration of auditors

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
(a) Audit services				
Fees related to services from the Audit Office of NSW				
Audit and review of financial statements and other audit work	590	573	590	573
Audit fees paid by subsidiaries	74	70	0	0
Audit services by private sector contractors	62	77	0	27
Total remuneration for audit services	726	720	590	600
(b) Other audit and assurance services				
Fees related to services from the Audit Office of NSW				
Audit of regulatory returns	56	183	56	183
Fees paid to other audit firms	24	26	24	26
Total remuneration paid for other audit related services	80	209	80	209
Total remuneration of auditors	806	929	670	809

26 Commitments

Capital commitments

Capital expenditure contracted for at the reporting date, but not recognised as a liability, is as follows:

	Economic entity (Consolidated)		Parent entity (University)	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment (PP&E) commitments				
Within one year	16,831	51,010	16,831	51,010
Total PP&E commitments	16,831	51,010	16,831	51,010
Intangible asset commitments				
Within one year	12,768	9,273	12,768	9,273
Between one year and five years	2,058	0	2,058	0
Total intangible asset commitments	14,826	9,273	14,826	9,273

27 Contingencies

(i) Bank guarantee facility

The University has a bank guarantee facility in place with a facility limit of \$20,000k of which \$2,828k was utilised at 31 December 2021 (2020: \$7,837k). The bank guarantees are primarily provided as security for rental agreements relating to office space and building works.

(ii) Letters of comfort to subsidiaries

The University has provided certain controlled entities (A14 Holdings Pty Limited and Suzhou Xi Su Commercial Consulting Co., Limited) with letters of comfort guaranteeing the liabilities of those controlled entities.

As at the date of this report the letters of comfort issued to controlled entities cover net assets of \$3,577k (2020: net assets of \$2,092k).

28 Defined benefit plans

(a) Fund specific disclosure

State Authorities Superannuation Trustee Corporation

The University maintains a reserve account within the State Authorities Superannuation Trustee Corporation to assist in financing the employer contributions to the State Authorities Superannuation Scheme (SASS), State Authorities Non-Contributory Scheme (SANCS) and State Superannuation Scheme (SSS).

These schemes are all defined benefit schemes. Each member's final benefit in relation to these schemes is derived from a multiple of their salary and years of membership. All three schemes are closed to new members.

Professorial Superannuation System (PSS)

The Professorial Superannuation System is closed to new members. Pensioner members receive pension payments from the system. These benefits are funded by contributions from system members and, if necessary, the University.

Liability

A net unfunded liability for retirement benefits of \$1,431,458k (2020: \$1,535,663k) is included in the Statement of financial position as an asset of \$10,128k (2020: \$5,678k) within non-current receivables and liabilities of \$1,348,451k (2020: \$1,446,717k) within non-current provisions and \$93,135k (2020: \$94,624k) within current provisions. \$1,438,323k (2020: \$1,536,593k) of this is payable by the Commonwealth and New South Wales governments. Details of the receivable from the Commonwealth and New South Wales governments is set out in Note 14.

The valuation methodology and principal actuarial assumptions as at 31 December 2021 are as follows:

(i) Valuation method

The projected unit credit valuation method is used to determine the present value of the defined benefit obligations and the related current service costs.

This method sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

(ii) Economic assumptions

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

	2021 %	2020 %
Discount rate(s)*	1.68%	0.97%
Expected rate(s) of salary increase**	3.20%	3.20%

* The actuarial calculation for the Professorial Superannuation System specifically for the University of Sydney in 2021 used 1.60% (2020: 0.80%) as the discount rate assumption.

** The actuarial calculation for the Professorial Superannuation System specifically for the University of Sydney in 2021 used 2.50% (2020: 2.50%) as the salary increase assumption. The actuarial calculation for SASS, SANCS and SSS funds in 2021 used 3.20% (2020: 3.20%) as the salary increase assumption.

The University expects to make a contribution of \$95,048k (2020: \$97,059k) to the defined benefit plans during the next financial year.

The weighted average duration of the defined benefit obligation is 9.7 years (2020: 10.3 years). The expected maturity analysis of undiscounted benefit payments is as follows:

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Defined benefit obligations - 31 December 2021	100,415	96,749	270,080	1,110,976	1,578,220
Defined benefit obligations - 31 December 2020	102,329	99,671	279,475	1,230,909	1,712,384

28 Defined benefit plans (continued)

(b) Categories of plan assets

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

	2021 \$'000		2020 \$'000	
	Active Market	No Active Market	Active Market	No Active Market
Cash and cash equivalents	8,845	13,802	11,171	8,804
Equity instruments	96,588	2,531	101,585	1,991
Debt instruments	6,236	7,930	5,743	10,534
Property	0	9,186	2,821	10,838
Other	3,845	29,200	3,397	38,687
Total	115,514	62,649	124,717	70,854

(c) Actuarial assumptions and sensitivity

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

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Discount rate	+/-0.5%	Decrease by 4.8%	Increase by 5.2%
Salary growth rate	+/-0.5%	Increase by 0.2%	Decrease by 0.2%

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.

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Notes to the financial statements
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(continued)

28 Defined benefit plans (continued)

(d) Statement of financial position amounts

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 PSS	\$'000 Total
Present value obligations - 2021					
Opening defined benefit obligation	105,932	14,756	1,585,223	25,322	1,731,233
Current service cost	1,034	453	0	97	1,584
Taxes, premiums and expenses paid	(46)	160	(2,067)	(97)	(2,050)
Interest expense/(income)	943	127	14,935	194	16,199
	<u>107,863</u>	<u>15,496</u>	<u>1,598,091</u>	<u>25,516</u>	<u>1,746,966</u>
Remeasurements					
Actuarial losses/(gains) arising from changes in demographic assumptions	1,985	171	(9,396)	0	(7,240)
Actuarial losses/(gains) arising from changes in financial assumptions	(1,859)	(282)	(50,068)	(1,328)	(53,537)
Experience losses/(gains)	<u>11,542</u>	<u>661</u>	<u>27,424</u>	<u>365</u>	<u>39,992</u>
	<u>11,668</u>	<u>550</u>	<u>(32,040)</u>	<u>(963)</u>	<u>(20,785)</u>
Contributions					
Plan participants	982	0	166	0	1,148
	<u>982</u>	<u>0</u>	<u>166</u>	<u>0</u>	<u>1,148</u>
Payments from plan					
Benefits paid	(32,098)	(4,393)	(78,883)	(2,335)	(117,709)
	<u>(32,098)</u>	<u>(4,393)</u>	<u>(78,883)</u>	<u>(2,335)</u>	<u>(117,709)</u>
Closing defined benefit obligation	<u>88,415</u>	<u>11,653</u>	<u>1,487,334</u>	<u>22,218</u>	<u>1,609,620</u>
Present value of plan assets - 2021					
Opening fair value of plan assets	93,765	9,620	61,185	31,000	195,570
	<u>93,765</u>	<u>9,620</u>	<u>61,185</u>	<u>31,000</u>	<u>195,570</u>
Remeasurements					
Interest income	824	90	589	238	1,741
Actuarial losses/(gains) arising from changes in financial assumptions	3,349	(87)	(80)	3,540	6,722
	<u>4,173</u>	<u>3</u>	<u>509</u>	<u>3,778</u>	<u>8,463</u>
Contributions					
Employers	92	2,357	90,291	0	92,740
Plan participants	982	0	166	0	1,148
	<u>1,074</u>	<u>2,357</u>	<u>90,457</u>	<u>0</u>	<u>93,888</u>
Payments from plan					
Benefits paid	(32,098)	(4,393)	(78,883)	(2,335)	(117,709)
Taxes, premiums and expenses paid	(46)	160	(2,067)	(97)	(2,050)
	<u>(32,144)</u>	<u>(4,233)</u>	<u>(80,950)</u>	<u>(2,432)</u>	<u>(119,759)</u>
Closing fair value of plan assets	<u>66,868</u>	<u>7,747</u>	<u>71,201</u>	<u>32,346</u>	<u>178,162</u>
Reimbursement rights - 2021					
Opening value of reimbursement right	9,330	4,495	1,522,768	0	1,536,593
Expected return on reimbursement rights	1,059	(1,865)	(75,945)	0	(76,751)
Actuarial remeasurements	8,319	636	(31,959)	0	(23,004)
Remeasurement through profit or loss	(381)	25	135	0	(221)
Remeasurement through other comprehensive income	1,566	236	(96)	0	1,706
Closing value of reimbursement right	<u>19,893</u>	<u>3,527</u>	<u>1,414,903</u>	<u>0</u>	<u>1,438,323</u>
Net liability reconciliation - 2021					
Defined benefit obligation	88,415	11,653	1,487,334	22,218	1,609,620
Fair value of plan assets	(66,868)	(7,747)	(71,201)	(32,346)	(178,162)
Net liability	<u>21,547</u>	<u>3,906</u>	<u>1,416,133</u>	<u>(10,128)</u>	<u>1,431,458</u>
Reimbursement right	19,893	3,527	1,414,903	0	1,438,323
Total net liability/(asset) in statement of financial position	<u>1,654</u>	<u>379</u>	<u>1,230</u>	<u>(10,128)</u>	<u>(6,865)</u>

28 Defined benefit plans (continued)

(d) Statement of financial position amounts (continued)

	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 PSS	\$'000 Total
Present value obligations - 2020					
Opening defined benefit obligation	116,597	17,748	1,667,770	27,419	1,829,534
Current service cost	1,638	520	0	51	2,209
Taxes, premiums and expenses paid	(334)	4,779	(11,009)	(51)	(6,615)
Interest expense/(income)	1,458	218	22,212	339	24,227
	<u>119,359</u>	<u>23,265</u>	<u>1,678,973</u>	<u>27,758</u>	<u>1,849,355</u>
Remeasurements					
Actuarial losses/(gains) arising from changes in financial assumptions	(1,051)	(294)	13,061	938	12,654
Experience losses/(gains)	(1,556)	(6,502)	(29,704)	(772)	(38,534)
	<u>(2,607)</u>	<u>(6,796)</u>	<u>(16,643)</u>	<u>166</u>	<u>(25,880)</u>
Contributions					
Plan participants	1,113	0	220	0	1,333
	<u>1,113</u>	<u>0</u>	<u>220</u>	<u>0</u>	<u>1,333</u>
Payments from plan					
Benefits paid	(11,933)	(1,713)	(77,327)	(2,602)	(93,575)
	<u>(11,933)</u>	<u>(1,713)</u>	<u>(77,327)</u>	<u>(2,602)</u>	<u>(93,575)</u>
Closing defined benefit obligation	<u>105,932</u>	<u>14,756</u>	<u>1,585,223</u>	<u>25,322</u>	<u>1,731,233</u>
Present value of plan assets - 2020					
Opening fair value of plan assets	103,598	3,075	58,499	32,537	197,709
	<u>103,598</u>	<u>3,075</u>	<u>58,499</u>	<u>32,537</u>	<u>197,709</u>
Remeasurements					
Interest expense/(income)	1,281	41	783	406	2,511
Actuarial losses/(gains) arising from changes in financial assumptions	(20)	(27)	(447)	710	216
	<u>1,261</u>	<u>14</u>	<u>336</u>	<u>1,116</u>	<u>2,727</u>
Contributions					
Employers	61	3,465	90,466	0	93,992
Plan participants	1,113	0	220	0	1,333
	<u>1,174</u>	<u>3,465</u>	<u>90,686</u>	<u>0</u>	<u>95,325</u>
Payments from plan					
Benefits paid	(11,933)	(1,713)	(77,327)	(2,602)	(93,575)
Taxes, premiums and expenses paid	(335)	4,779	(11,009)	(51)	(6,616)
	<u>(12,268)</u>	<u>3,066</u>	<u>(88,336)</u>	<u>(2,653)</u>	<u>(100,191)</u>
Closing fair value of plan assets	<u>93,765</u>	<u>9,620</u>	<u>61,185</u>	<u>31,000</u>	<u>195,570</u>
Reimbursement rights - 2020					
Opening value of reimbursement right	9,495	13,955	1,608,196	0	1,631,646
Expected return on reimbursement rights	1,755	(2,768)	(69,039)	0	(70,052)
Actuarial remeasurements	(2,587)	(6,769)	(16,195)	0	(25,551)
Remeasurement through profit or loss	164	(18)	(180)	0	(34)
Remeasurement through other comprehensive income	503	94	(13)	0	584
Closing value of reimbursement right	<u>9,330</u>	<u>4,494</u>	<u>1,522,769</u>	<u>0</u>	<u>1,536,593</u>
Net liability reconciliation - 2020					
Defined benefit obligation	105,932	14,756	1,585,223	25,322	1,731,233
Fair value of plan assets	<u>(93,765)</u>	<u>(9,620)</u>	<u>(61,185)</u>	<u>(31,000)</u>	<u>(195,570)</u>
Net liability	<u>12,167</u>	<u>5,136</u>	<u>1,524,038</u>	<u>(5,678)</u>	<u>1,535,663</u>
Reimbursement right	9,330	4,494	1,522,769	0	1,536,593
Total net liability/(asset) in statement of financial position	<u>2,837</u>	<u>642</u>	<u>1,269</u>	<u>(5,678)</u>	<u>(930)</u>

28 Defined benefit plans (continued)

(e) UniSuper defined benefit division (UniSuper)

The superannuation scheme used by the University is the UniSuper defined benefit division (UniSuper), formerly known as the Superannuation Scheme for Australian Universities (SSAU).

Clause 34 of the UniSuper Trust Deed outlines the process UniSuper must undertake (including employer notifications and notice periods) in order to request additional contributions from employers if the UniSuper assets are considered by the Trustee to be insufficient to provide benefits payable under the deed. In these circumstances, at least four years notice is required. If such a request was agreed to by all employers then members would have to contribute additional funds. If all the employers did not agree to increase contributions, the Trustee would have to reduce benefits payable to members on a fair and equitable basis.

Should the balance of UniSuper become a deficit, the universities are not liable to make any payments to UniSuper unless all the universities (including the University of Sydney) who are members of UniSuper unanimously agree to make additional contributions to the fund. It is only on this basis that the universities would be liable for the agreed additional contribution. Management believes it is unlikely that any additional contribution will be required in the foreseeable future.

Historically, surpluses in UniSuper were used to improve members' benefits and have not affected the amount of participating employers' contributions.

As at 30 June 2021, the assets of UniSuper in aggregate, were estimated to be \$5,070,000k above vested benefits, after allowing for various reserves. As at 30 June 2020 the total assets of UniSuper were estimated to be \$3,276,000k above vested benefits. The vested benefits are benefits that are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the Defined Benefit Division.

As at 30 June 2021, the assets of UniSuper in aggregate were estimated to be \$7,339,000k above accrued benefits, after allowing for various reserves. As at 30 June 2020 the assets of the fund were estimated to be \$5,267,000k above accrued benefits. The accrued benefits have been calculated as the present value of expected future benefits payments to members and indexed pensioners that arise from membership of UniSuper up to the reporting date.

(f) Retirement benefit obligations

The University provides for superannuation based on information and formulae provided by the Superannuation Administration Corporation in respect of contributors to the defined benefit schemes administered by the SAS Trustee Corporation. In addition, the University contributes to the Superannuation Scheme for Australian Universities, which is a funded defined benefits scheme that also provides an Accumulation Superannuation Plan. When necessary, the University also contributes to the University of Sydney Professorial Superannuation System.

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

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

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

Past service costs are recognised in profit or loss at the earlier of the following dates:

- a) when the plan amendments or curtailment occurs; and*
- b) when the entity recognises related restructuring costs or termination benefits*

Contributions to the defined contribution section of the University's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable.

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

29 Related parties

(a) Parent entity

The ultimate parent entity within the economic entity is The University of Sydney.

(b) Controlled entities

The following entities are controlled entities of the University.

Name of Entity	Principal place of business	Ownership interest	
		2021	2020
A14 Holdings Pty Limited	Camperdown, NSW	100	100
Suzhou Xi Su Commercial Consulting Co., Limited	Suzhou, China	100	100
Westmead IVF Pty Limited	Westmead, NSW	100	100

(c) Transactions with related parties

The following transactions occurred during the reporting period with related parties:

	2021	2020
	\$'000	\$'000
Controlled entities		
Sale of goods and services	0	90
Interest income	48	48
Purchase of goods and services	2,086	1,789
Grants and funding expense	0	0
Distribution from controlled entity	0	141
Associates and joint venture		
Sales of goods and services	9,803	9,257
Purchase of goods and services	24,287	21,348
Investment in associate	1,954	1,675

(d) Outstanding balances

	2021	2020
	\$'000	\$'000
Controlled entities		
Trade and other receivables	192	116
Loans receivables	1,461	1,297
Investment in controlled entity	325	325
Trade and other payables	690	633
Associates and joint venture		
Trade and other receivables	421	621
Trade and other payables	77	279

In the current and previous year, 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.

(e) Terms and conditions of outstanding balances

During the financial year, all transactions between the University and its related parties were in the ordinary course of business and on normal arm's length commercial terms and conditions.

30 Joint operations

Name of joint operations	Nature of relationship	Principle place of business	Ownership interest/ voting rights held	
			2021	2020
United States Studies Centre*	Australian public company, limited by guarantee	Camperdown, NSW	50	50

* The United States Studies Centre constitution prohibits distribution to members.

The University's share of assets, liabilities, revenue and expenses of a joint operation have been incorporated in the financial statements under the appropriate headings, except where the company is prohibited from making distributions to members.

31 Investments accounted for using the equity method

(a) Associates

Name of Entity	Place of business	Measurement method	Ownership Interest	
			2021	2020
			%	%
Abercrombie Street Childcare Limited*	Darlington, NSW	Equity method	1	1
Ab initio Pharma Pty Ltd	Camperdown, NSW	Equity method	25	25
Agerris Pty Ltd	Sydney, NSW	Equity method	14	26
ANZAC Health and Medical Research Foundation*	Concord, NSW	Equity method	14	14
Cicada Innovations Pty Limited	Eveleigh, NSW	Equity method	25	25
Detected-X Pty Ltd	Sydney, NSW	Equity method	20	20
Glycemic Index Foundation*	St Leonards, NSW	Equity method	50	50
Gradient Institute Ltd*	Sydney, NSW	Equity method	20	20
ImmuneSignatures Pty Ltd	Sydney, NSW	Equity method	33	33
Kinoxis Therapeutics Pty Ltd	Camberwell, VIC	Equity method	16	16
Nuflora International Pty Limited	Sydney, NSW	Equity method	38	38
Praxis Australia Limited*	Eastwood, SA	Equity method	33	33
Sydney Institute of Marine Science*	Mosman, NSW	Equity method	25	25
The Transport Research Association for New South Wales (TRANSW)	Sydney, NSW	Equity method	25	25
UIIT Pty Ltd	St. Lucia, QLD	Equity method	17	17
UIIT Trust No 7**	St. Lucia, QLD	Equity method	100	100
UIIT Trust No 9	St Lucia, QLD	Equity method	25	25
Uniseed Management Pty Ltd	St. Lucia, QLD	Equity method	20	20
Westmead Millennium Institute for Medical Research*	Westmead, NSW	Equity method	33	33
Zeta Therapeutics Pty Ltd	North Curl Curl, NSW	Equity method	40	40

* These companies are public companies limited by guarantee. The constitutions of these companies prohibit distribution of funds to the members. Accordingly, interests in these companies are measured at cost and the University's share of net profit and other comprehensive income have not been recognised.

** The University holds 100% of the units in UIIT Trust No.7; however by virtue of the Unitholders Deed in relation to the UIIT's and Uniseed Management Shareholders Agreement, the trust is subject to significant influence and is therefore considered an associate.

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

The University's share of an associate's post-acquisition profits or losses is recognised in the Income statement 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 received from associates are recognised in the parent entity's Income statement, while in the consolidated financial statements they reduce the carrying amount of the investment.

When the economic entity'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.

31 Investments accounted for using the equity method (continued)

(b) Joint ventures

Name of Entity	Place of business	Measurement method	Ownership Interest %	
			2021	2020
Innowell Pty Limited	Southbank, Vic	Share of net assets	45	45
University of Sydney Foundation Program Pty Limited	Waterloo, NSW	Share of net assets	50	50

Joint ventures are those joint arrangements which provide the venturer with rights to the net assets of the arrangements. Interests in joint ventures are accounted for using the equity method by the consolidated entity and are measured at cost by the parent entity.

Under the equity method, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and other comprehensive income of the investee after the date of acquisition. If the venturer's share of losses of a joint venture equals or exceeds its interest in the joint venture, the venturer discontinues recognising its share of further losses.

The venturer's share in the joint venture's gain or losses arising from transactions between a venturer and its joint venture partner are eliminated. Adjustments are made to the joint venture's accounting policies where they are different from those of the venturer for the purpose of the consolidated financial statements.

32 Reconciliation of net result after income tax from continuing operations to net cash provided by/(used in) operating activities

Notes	Economic entity (Consolidated)		Parent entity (University)	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Net result after income tax from continuing operations	1,049,708	108,980	1,048,062	106,563
Depreciation and amortisation	214,577	222,476	214,577	222,476
Net (gain)/loss on disposal of property, plant and equipment	(99,555)	1,864	(99,555)	1,864
(Gain)/loss on equity accounted investments	(1,646)	(2,417)	0	0
Non-cash investment (income)/loss	(264,852)	27,001	(264,852)	27,001
Non-cash impairment expense	36,383	48,253	36,383	48,253
Interest costs on lease liabilities	4,749	5,246	4,749	5,246
Non-cash other expenses	22,385	28,444	22,385	28,444
(Increase)/decrease in receivables	66,681	128,378	66,681	128,378
(Increase)/decrease in other assets	(5,210)	1,491	(5,210)	1,491
(Increase)/decrease in current non-financial assets	(2,664)	(3,551)	(2,664)	(3,551)
Increase/(decrease) in payables	(8,066)	20,377	(8,066)	20,377
Increase/(decrease) in other liabilities	85,887	85,983	85,887	85,983
Increase/(decrease) in provisions	(153,627)	(14,801)	(153,627)	(14,801)
Net cash provided by operating activities	944,750	657,724	944,750	657,724

Reconciliation of liabilities arising from financing activities

	Non-cash changes					
	1 January 2021 \$'000	Cash flow payment \$'000	Disposal/retirement \$'000	Foreign exchange movement \$'000	Fair value changes \$'000	31 December 2021 \$'000
Short-term borrowings	200,000	(200,000)	0	0	0	0
Long-term borrowings	398,129	0	0	0	0	398,569
Lease liabilities	96,521	(19,672)	(983)	0	6,692	82,558
Total liabilities from financing activities	694,650	(219,672)	(983)	0	6,692	481,127

33 Financial risk management

Objectives and Policies

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

A variety of risk mitigation measures are used to manage the different types of risk to which the University is exposed.

The University has adopted a Treasury Management Policy approved by the Finance Committee (FC), a Committee of Senate. Investment risk and policy is overseen by the Investment Sub-Committee (ISC) of FC. Interest rate risk is overseen by the Asset and Liability Committee.

The Treasury Management Policy establishes the policy framework for the management of interest rates, liquidity and operational funding management, foreign exchange, counterparty credit, operational risk and the investment of excess liquidity.

Consistent with asset management best practice, the University's investment funds are allocated to achieve diversification of risk. Debt investments are invested across a range of Australian dollar denominated instruments according to approved credit limits based upon credit ratings within the investment grade ratings band. Growth assets are invested across a diverse range of assets which include domestic and international asset classes and listed and unlisted investments.

In managing interest rate risk the University makes use of derivative financial instruments such as interest rate swaps to hedge cash flow risk exposures. Derivatives, in relation to the University's debt, are only used for hedging purposes, not as trading or other speculative instruments.

The Aa1 stable credit rating assigned to the University by Moody's was reaffirmed in August 2021.

(a) Market risk

(i) Foreign exchange risk

The University has exposure to foreign exchange risk. This arises from holding investments denominated in foreign currencies and balances in bank accounts used to pay overseas suppliers.

(ii) Price risk

The University has exposure to equity security price risk. This arises from investments held by the University and classified on the Statement of financial position at fair value through profit or loss. The impact of a change in value of the securities would be reflected as either an increase or decrease in the fair value of the security through the net result.

The University is not materially exposed to commodity price risk.

To manage its price risk from investments in equity securities, the University has contracted the management of the portfolio to external sector specialist managers. These managers are mandated to diversify the investments of the portfolio under their management. The University's equity investments include a diverse range of asset types including domestic and international classes as well as listed and unlisted investment vehicles. The quantum of funds under management through these managers and the investment objectives of each manager are established in accordance with limits and policies set by the ISC. The University also undertakes periodic reviews of its strategic asset allocation to assess its risk return ratio.

The University's listed equity investments are all managed by external fund managers. Listed equity exposure is split between domestic and overseas shares. The hedging of offshore currency exposures is managed at a whole of portfolio level.

(iii) Interest rate risk

The University's exposure to market interest rates relates primarily to the University's floating bank facility borrowings and investment in debt securities (short term money market securities).

When appropriate, the University maintains floating to fixed interest rate profiles according to the Treasury Management Policy.

When appropriate, the University uses interest rate swaps to hedge the interest rate risk on a portion of its borrowings drawn on its floating rate bank debt facility. These interest rate swaps are designated as cash flow hedge accounting relationships; see Note 33(e).

The University's short-term cash and deposit portfolio consists of short-term deposits held with investment grade Australian banks together with cash held in an interest bearing bank account held with an investment grade Australian bank. The short-term cash and deposit portfolio is fully invested in Australian dollars. This portfolio is classified at fair value through profit or loss and as such, the impact of an interest rate change would be reflected as either an increase or decrease in the net result.

33 Financial risk management (continued)

(a) Market risk (continued)

(iv) Summarised sensitivity analysis

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

Economic entity (Consolidated) 31 December 2021

	2021 Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Other price risk			
		-0.25%		+0.25%		-10%		+10%		-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
Financial assets													
Cash and cash equivalents	1,381,785	0	0	0	0	3,405	0	(2,786)	0	0	0	0	0
Other financial assets (net)	2,183,839	11	0	(11)	0	58,409	0	(47,789)	0	(212,345)	0	212,346	0
Sub total		11	0	(11)	0	61,814	0	(50,575)	0	(212,345)	0	212,346	0
Financial liabilities													
Bonds payable	400,000	0	0	0	0	0	0	0	0	0	0	0	0
Total increase/(decrease)		11	0	(11)	0	61,814	0	(50,575)	0	(212,345)	0	212,346	0

Note: for presentation purposes derivative financial instruments of (\$188k) have been netted against other financial assets.

31 December 2020

	2020 Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Other price risk			
		-0.25%		+0.25%		-10%		+10%		-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
Financial assets													
Cash and cash equivalents	817,739	0	0	0	0	3,018	0	(2,469)	0	0	0	0	0
Other financial assets	1,769,527	(4)	0	5	0	48,175	0	(39,416)	0	(167,458)	0	167,459	0
Sub total		(4)	0	5	0	51,193	0	(41,885)	0	(167,458)	0	167,459	0
Financial liabilities													
Bonds payable	600,000	0	0	0	0	0	0	0	0	0	0	0	0
Total increase/(decrease)		(4)	0	5	0	51,193	0	(41,885)	0	(167,458)	0	167,459	0

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the University.

Credit exposure of the debt portfolio is controlled by counterparty limits that are reviewed and approved by the ISC. Credit risks in respect to the deferred government contribution for superannuation are discussed at Note 14. The University does not have any other significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because counterparties are banks with investment grade long term credit ratings assigned by international credit rating agencies.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. Therefore the carrying amount of financial assets recorded in the Statement of financial position represents the University's maximum exposure to credit risk.

(c) Liquidity risk

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

The University receives regular payments from the Commonwealth Government, which constitute a significant proportion of the University's income, which are known as to the date and amount in advance of their receipt. Similarly, the majority of expenses of the University are known in quantum and date in advance of their due date for payment. The short-term cash and deposit portfolio is used as a liquidity buffer for any timing mismatch of revenue inflows and expense outflows.

In addition, the University maintains lines of credit as disclosed below in Note 33(d).

The University has in place daily cash flow forecasting and review procedures to manage its liquidity risk.

33 Financial risk management (continued)

(c) Liquidity risk (continued)

The following tables detail the University's maturity profile as at 31 December 2021 and as at 31 December 2020:

Economic entity (Consolidated) and Parent entity (University)

31 December 2021

	Less than 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000	Total Contractual Cash Flows \$'000	Carrying Amount \$'000
Financial liabilities					
Other current liabilities	120,086	0	0	120,086	120,086
Creditors	76,310	0	0	76,310	76,310
Bonds payable	0	200,000	200,000	400,000	398,569
Derivative financial instruments	188	0	0	188	188
Lease liabilities	13,834	32,892	70,576	117,302	82,558
Total financial liabilities	210,418	232,892	270,576	713,886	677,711

31 December 2020

Financial liabilities					
Other current liabilities	131,941	0	0	131,941	131,941
Creditors	62,581	0	0	62,581	62,581
Bonds payable	200,000	200,000	200,000	600,000	598,129
Lease liabilities	17,291	39,685	78,155	135,131	96,521
Total financial liabilities	411,813	239,685	278,155	929,653	889,172

(d) Financial facilities and balances

The University has access to a \$400,000k (2020: \$400,000k) unsecured line of credit facility which is undrawn as at 31 December 2021 (2020: undrawn). The following table outlines details of the facilities as at 31 December 2021.

Bank	Amount \$'000	Maturity date
NAB	100,000	30 March 2022
Westpac	100,000	9 April 2023
HSBC	100,000	1 June 2023
ANZ	100,000	30 June 2023

Upon expiry it is expected that each of the \$100,000k revolving bank facilities will be refinanced for a further three years.

The University has access to an unsecured overdraft facility of \$25,000k (2020: \$25,000k) which is unutilised at 31 December 2021. Interest would be payable at the National Australia Bank's Base Lending Indicator Rate.

There is also credit card facility in place with total available limit of \$18,035k of which \$21k has been utilised at 31 December 2021, and a letter of credit facility of up to \$100k which was unutilised during 2021. The University also has access to a \$20,000k bank guarantee facility of which \$2,828k was utilised at 31 December 2021.

34 Fair value measurement

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

The only balance where the carrying amount and aggregate fair values of financial liabilities differ at balance date is borrowings, as disclosed in Note 21.

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

- Financial assets at fair value through profit or loss
- Commercial properties and infrastructure
- Heritage assets

34 Fair value measurement (continued)

(a) Fair value measurements (continued)

- Livestock
- Borrowings
- Derivative financial instruments

(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 are categorised into the following levels at 31 December 2021

	Notes	2021 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets at fair value through profit or loss					
Listed securities	16	321,245	321,245	0	0
Convertible notes	16	2,702	0	2,702	0
Managed funds	16	1,809,710	0	1,803,178	6,532
Unlisted securities	16	4,487	0	0	4,487
Floating rate notes	16	45,883	0	36,748	9,135
Derivative financial instruments		(188)	0	(188)	0
Total financial assets at fair value through profit or loss		2,183,839	321,245	1,842,440	20,154
Non-financial assets					
Land and buildings	17	809,544	0	410,162	399,382
Heritage assets	17	274,261	0	257,577	16,684
Livestock	19	8,354	0	8,354	0
Total non-financial assets		1,092,159	0	676,093	416,066
Financial liabilities					
Borrowings	21	461,478	0	461,478	0
Total financial liabilities		461,478	0	461,478	0
Recurring fair value measurements					
Financial assets at fair value through profit or loss					
Listed securities	16	257,965	257,965	0	0
Convertible notes	16	5,096	4,913	0	183
Managed funds	16	1,406,455	0	1,406,402	53
Unlisted securities	16	52,888	0	0	52,888
Floating rate notes	16	45,846	0	36,952	8,894
Derivative financial instruments	16	1,277	0	1,277	0
Total financial assets at fair value through profit or loss		1,769,527	262,878	1,444,631	62,018
Non-financial assets					
Land and buildings	17	706,787	0	332,234	374,553
Heritage assets	17	262,243	0	245,559	16,684
Livestock	19	6,741	0	6,741	0
Total non-financial assets		975,771	0	584,534	391,237
Financial liabilities					
Borrowings	21	698,430	0	698,430	0
Total financial liabilities		698,430	0	698,430	0

34 Fair value measurement (continued)

(b) Fair value hierarchy (continued)

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

(ii) Disclosed fair values

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives and traded securities) is based on quoted market prices for identical assets or liabilities at the balance sheet date (level 1). The quoted market price used for assets held by the University is the most representative of fair value in the circumstances.

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

Where applicable, the fair value of non-current borrowings disclosed in Note 21 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the University for similar financial instruments.

Derivative contracts classified as held for trading are adjusted to fair value by comparing the contracted rate to the current market rate for a contract with the same remaining period to maturity.

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

(i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) 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 or dealer quotes for similar instruments
- the fair value of interest rate swaps calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of forward foreign exchange contracts determined using forward exchange rates at the balance sheet date
- other techniques, such as discounted cash flow analysis, used to determine fair value for the remaining financial instruments.

The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the reporting date. The level in the fair value hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

In assessing the fair value, the University considers market participant's ability to use the asset in a manner that would be the highest and best use.

All of the resulting fair value estimates are included in level 2, except for unlisted securities, heritage assets, commercial buildings and commercial infrastructure (see Note 34(d)).

Heritage assets and commercial land and buildings (classified as property, plant and equipment) are valued independently at least every three years. At the end of each reporting period, the University updates its assessment of the fair value of each asset, taking into account the most recent independent valuations. The University determines the asset's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar assets. Where such information is not available the University considers information from a variety of sources, including:

- current prices in an active market for assets of different nature or recent prices of similar assets in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based on a property's estimated net market income and a capitalisation rate derived from an analysis of market evidence.

All resulting fair value estimates for commercial land are included in level 2, while heritage assets and commercial buildings and infrastructure are split between both level 2 and level 3.

(ii) Non-recurring fair value measurements

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

34 Fair value measurement (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 2021 and 31 December 2020.

Level 3 Fair Value Measurement 2021	Commercial properties \$'000	Other financial assets \$'000	Unlisted securities \$'000	Heritage assets \$'000	Total \$'000
Opening balance	374,553	9,130	52,888	16,684	453,255
Transfers from WIP	915	0	0	0	915
Recognised in profit or loss	0	6,537	(48,401)	0	(41,864)
Recognised in other comprehensive income	23,914	0	0	0	23,914
Closing balance	399,382	15,667	4,487	16,684	436,220

Level 3 Fair Value Measurement 2020	Commercial properties \$'000	Other financial assets \$'000	Unlisted securities \$'000	Heritage assets \$'000	Total \$'000
Opening balance	396,806	2,185	42,348	19,727	461,066
Transfers from WIP	1,380	0	0	0	1,380
Recognised in profit or loss	0	6,945	10,540	0	17,485
Recognised in other comprehensive income	(23,633)	0	0	(3,043)	(26,676)
Closing balance	374,553	9,130	52,888	16,684	453,255

The following table summarises the quantitative information in respect to significant unobservable inputs used in level 3 fair value measurements. See Note 34(c) above for the valuation techniques adopted.

Description	Fair value at 31 December 2021 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Shares - unlisted	4,487	Discount rate	15%	The higher the discount rate, the lower the fair value
Commercial buildings and infrastructure	273,157	Remaining useful life	1-100 years	A one year increase/(decrease) in the remaining life of the asset would cause a 2.68%/(2.68%) increase/(decrease) in the total FV
Heritage assets	16,684	Average value per item	5%	A 5% increase in average cost would increase fair value by \$834k
Total	294,328			

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

35 Events occurring after the balance sheet date

There are no matters or circumstances that have arisen since the end of the financial year that have affected or may subsequently affect the financial position or the state of affairs of the University or its subsidiaries.

36 Other accounting policies

(a) New Accounting Standards and AASB interpretations not yet issued

The following standards have been issued but are not mandatory for 31 December 2021 reporting periods. The University has elected not to early adopt any of these standards.

(i) *AASB 2014-10 and AASB 2017-5 Amendments to Australian Accounting Standards – Sale or contribution of Assets between an Investor and its Associate or Joint Venture.*

This standard applies to annual reporting periods beginning or after 1 January 2022.

There is no material impact on the University.

(ii) *AASB 2020-3 Amendments to Australian Accounting Standards - Annual Improvement of 2018-2020 and Other Amendments*

This standard applies to annual reporting periods beginning or after 1 January 2022.

There is no material impact on the University.

(iii) *AASB 2020-6 Amendments to Australian Accounting Standards - Classifications of Liabilities as Current or non-Current - Deferral of Effective Date*

This standard applies to annual reporting periods beginning or after 1 January 2023.

There is no material impact on the University.

(iv) *AASB 2021-2 Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimate.*

This standard applies to annual reporting periods beginning or after 1 January 2023.

There is no material impact on the University.

(v) *AASB 2021 - 3 Amendments to Australian Accounting Standards - COVID-19-Related Rent Concessions beyond June 2021.*

This standard applies to annual reporting periods beginning or after 1 June 2021.

There is no material impact on the University.

(b) Initial application of Australian Accounting Standards

The following standards apply to annual reporting periods beginning on or after 1 January 2021. The application of all of the following standards had no impact on the financial position and performance of the University.

(i) *AASB 2020-8 Amendments to Australian Accounting Standards - Interest Rate Benchmark Reform - Phase 2*

(ii) *AASB 2020-9 Amendments to Australian Accounting Standards - Tier 2 Disclosures: Interest Rate Benchmark Reform (Phase 2) and Other Amendments*

(iii) *Initial application of the International Financial Reporting Standards Interpretations Committee (IFRS IC) Agenda Decisions*

Software-as-a-Service (SaaS) arrangements

In April 2021, the IFRS IC published an agenda decision relating to the accounting for configuration and customisation costs incurred related to a Software as a Service (SaaS) arrangement. As a result, the University has reviewed its accounting policy in relation to configuration and customisation costs incurred in implementing SaaS arrangements. There was no material impact as a result of the implementation of this agenda decision.

(c) Private sector participation in the provision of student accommodation

The University of Sydney has entered into an arrangement where, under a long-term lease of its land in Carillon Avenue, Newtown, a student accommodation facility has been constructed and is being operated in partnership with a private sector party. This 650 bed facility was opened in January 2003. Under the terms of the project deed, ownership in the accommodation complex reverts to the University in 2043.

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2021
(continued)

37 Acquittal of Australian Government financial assistance

(a) Education - CGS and Other Education Grants

	Commonwealth Grant Scheme ¹		Indigenous Student Success Program ³		Higher Education Partnership and Participation Program		Disability Performance Funding ²		National Priorities and Industry Linkage Fund	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent entity (University) only										
Financial assistance received/(returned) in cash during the reporting period	319,915	313,252	1,824	2,018	2,341	2,556	499	486	8,750	0
Net accrual adjustments	(2,152)	3,972	321	(337)	0	0	0	0	0	0
Revenue for the period	317,763	317,224	2,145	1,681	2,341	2,556	499	486	8,750	0
Surplus/(deficit) from the prior year	0	0	0	106	3,027	3,027	(1,634)	(1,265)	0	0
Total funding available during the year	317,763	317,224	2,145	1,787	5,368	5,583	(1,135)	(779)	8,750	0
Less expenses including accrued expenses	(317,763)	(317,224)	(1,873)	(1,787)	(1,998)	(2,556)	(560)	(855)	(8,750)	0
Surplus/(deficit) for the reporting period	0	0	272	0	3,370	3,027	(1,695)	(1,634)	0	0

Promotion of Excellence in Learning and Teaching grant

	Tertiary access payment		Total	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Parent entity (University) only				
Financial assistance received/(returned) in cash during the reporting period	(149)	0	347	0
Net accrual adjustments	0	0	0	(1,831)
Revenue for the period	(149)	0	347	318,312
Surplus/(deficit) from the prior year	0	0	0	3,635
Total funding available during the year	(149)	0	347	321,947
Less expenses including accrued expenses	149	0	(347)	1,868
Surplus/(deficit) for the reporting period	0	0	0	323,815
				(322,422)

¹ Includes the basic CGS grant amount, CGS - Enabling Loading, CGS - Medical Student Loading, Allocated Places and Non Designated Courses.

² Disability Performance Funding includes Additional Support for Students with Disabilities.

³ Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

37 Acquittal of Australian Government financial assistance (continued)

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

	HECS-HELP (Australian Government payments)		FEE-HELP		SA-HELP		Total
	2021	2020	2021	2020	2021	2020	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent entity (University) only							
Cash payable/(receivable) at beginning of year	1,440	2,118	(3,400)	(633)	(84)	85	1,570
Financial assistance received in cash during the reporting period	182,458	188,685	91,818	69,068	4,395	3,920	261,673
Cash available for the period							
Revenue earned	183,898	190,803	88,418	68,435	4,311	4,005	276,627
	(187,063)	(189,363)	(87,441)	(71,835)	(4,176)	(4,089)	(278,680)
Cash payable/(receivable) at the end of the year	(3,165)	1,440	977	(3,400)	135	(84)	(2,044)

4(b)

(c) Department of Education and Research

	Research Training Program		Research Support Program		Total
	2021	2020	2021	2020	
	\$'000	\$'000	\$'000	\$'000	\$'000
Parent entity (University) only					
Financial assistance received in cash during the reporting period	91,933	93,517	182,576	84,958	274,509
Revenue for the period					
Total funding available during the year	91,933	93,517	182,576	84,958	274,509
Less expenses including accrued expenses	(91,933)	(93,517)	(182,576)	(84,958)	(274,509)
Surplus for the reporting period	0	0	0	0	0

4(a)

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2021
(continued)

37 Acquittal of Australian Government financial assistance (continued)

(d) Total Higher Education Provider Research Training Program expenditure

	Total domestic students 2021	Total overseas students 2021
Parent Entity (University) Only	\$'000	\$'000
Research Training Program Fees offsets	66,782	2,295
Research Training Program Stipends	20,849	1,992
Research Training Program Allowances	10	5
Total for all types of support	87,641	4,292

(e) Australian Research Council Grants

	Discovery		Linkages		Linkage Infrastructure		ARC Other Scheme		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent entity (University) only										
Financial assistance received in cash during the reporting period	44,149	40,728	8,054	7,571	4,501	1,989	753	358	57,457	50,646
Net accrual adjustments	(12,547)	(8,134)	(1,435)	(2,445)	(1,543)	(1,065)	(416)	(346)	(15,941)	(11,990)
Revenue for the period	31,602	32,594	6,619	5,126	2,958	924	337	12	41,516	38,656
Surplus/(deficit) from the prior year	(30,464)	(26,230)	8,654	9,604	(1,917)	(1,804)	0	0	(23,727)	(18,430)
Total funding available during the year	1,138	6,364	15,273	14,730	1,041	(880)	337	12	17,789	20,226
Less expenses including accrued expenses	(36,197)	(36,828)	(7,023)	(6,076)	(3,053)	(1,037)	(533)	(12)	(46,806)	(43,953)
Surplus/(deficit) for reporting period	(35,059)	(30,464)	8,250	8,654	(2,012)	(1,917)	(196)	0	(29,017)	(23,727)

4(a)

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2021
(continued)

37 Acquittal of Australian Government financial assistance (continued)

(f) OS-HELP

	2021	2020
	\$'000	\$'000
Parent entity (University) only		
Cash received during the reporting period	0	8,572
Cash spent during the reporting period	(7)	(646)
Net cash received/(returned)	<u>(7)</u>	<u>7,926</u>
Cash surplus from the previous period	20 <u>10,738</u>	<u>2,812</u>
Cash surplus for the reporting period	<u>10,731</u>	<u>10,738</u>

(g) Higher Education Superannuation Program

	2021	2020
	\$'000	\$'000
Parent entity (University) only		
Cash received during the reporting period	90,291	89,669
University contribution in respect of current employees	2,449	4,323
Cash available	<u>92,740</u>	<u>93,992</u>
Cash surplus / (deficit) from the previous period	0	0
Cash available for current period	<u>92,740</u>	<u>93,992</u>
Contributions to specified defined benefit funds	28 <u>(92,740)</u>	<u>(93,992)</u>
Cash surplus/(deficit) for this period	<u>0</u>	<u>0</u>

(h) Student Services and Amenities Fee

	2021	2020
	\$'000	\$'000
Parent entity (University) only		
Unspent/(overspent) revenue from previous period	(137)	(86)
SA-HELP revenue earned	4(b) <u>4,176</u>	<u>4,089</u>
Student services fees direct from students and amenities fees	6 <u>15,964</u>	<u>13,650</u>
Total revenue expendable in period	<u>20,003</u>	<u>17,653</u>
Student services expenses during period	<u>(20,163)</u>	<u>(17,790)</u>
Unspent/(overspent) student services revenue	<u>(160)</u>	<u>(137)</u>

38 US Department of Education financial responsibility supplemental schedule

For the year ended 31 December 2021, the US Department of Education require the financial information used to compute the 'composite score' be included in the higher education providers financial statement, which was previously lodged separately. The below information has been disclosed for the current year only, being 31 December 2021, as the required information for the comparative year has been separately submitted.

Location in Financial Statements and Related Notes	Financial Element	2021 \$'000s
	Primary reserve ratio: expendable net assets	
Statement of Financial Position	Net assets without donor restrictions	5,264,221
Statement of Financial Position	Net assets with donor restrictions	883,355
Note 29 – Related parties	Secured and Unsecured related party receivable (net)	1,307
Note 29 – Related parties	Unsecured related party receivable (net)	1,307
Note 17 – Property, plant and equipment	Property, plant and equipment net (includes Construction in progress)	3,841,457
Note * – Financial responsibility supplemental schedule	Property, plant and equipment net - pre-implementation	3,586,298
	Property, plant and equipment net -post-implementation with outstanding debt for original purchase	-
Note * – Financial responsibility supplemental schedule	Property, plant and equipment net -post-implementation without outstanding debt for original purchase	64,019
Note 17 – Property, plant and equipment	Construction in progress	191,140
Note 17 – Property, plant and equipment	Lease right-of -use assets, net	190,515
Note * – Financial responsibility supplemental schedule	Lease right-of -use assets pre-implementation	127,350
Note * – Financial responsibility supplemental schedule	Lease right-of use assets post-implementation	63,165
Note 18 – Intangible assets	Intangible Assets	163,112
Note 22 - Provisions	Post-employment and pension liabilities	1,835,238
Note 21 – Borrowings	Long-term debt - for long-term purposes	398,569
Note 21 – Borrowings	Long-term debt - for long-term purposes pre-implementation	398,569
	Long-term debt - for long-term purposes post-implementation	-
Note 21 – Borrowings	Lease right-of-use of asset liability	82,558
Note * – Financial responsibility supplemental schedule	Pre-implementation right-of-use leases liability	11,113
Note * – Financial responsibility supplemental schedule	Post-implementation right-of-use leases liability	71,445
	Annuities with donor restrictions	-
	Term endowment with donor restrictions	-
	Life Income Funds with donor restrictions	-
Statement of Financial Position	Net assets with donor restrictions: restricted in perpetuity	883,355

The University of Sydney
Notes to the financial statements
for the year ended 31 December 2021
(continued)

38 US Department of Education financial responsibility supplemental schedule (continued)

Location in Financial Statements and Related Notes	Financial Element	2021 \$'000s
	Primary reserve: expenses and losses	
Income statement	Total expenses without donor restrictions-taken directly from Income Statement	2,483,177
Statement of comprehensive income	Non-Operating and Net investment (loss)	236,500
	Net investment losses	-
Statement of comprehensive income	Pension-related changes other than net periodic costs	6,209
	Equity ratio: Modified net assets	
Statement of financial position	Net assets without donor restrictions	5,264,221
Statement of financial position	Net assets with donor restrictions	883,355
Note 18 – Intangible assets	Intangible Assets	163,112
Note 29 – Related parties	Secured and Unsecured related party receivable (net)	1,307
Note 29 – Related parties	Unsecured related party receivable (net)	1,307
	Equity ratio: Modified assets	
Statement of financial position	Total assets	9,299,018
Note * – Financial responsibility supplemental schedule	Lease right-of -use assets pre-implementation	127,350
Note * – Financial responsibility supplemental schedule	Pre-implementation right-of-use assets liability	11,113
Note 18 – Intangible assets	Intangible Assets	163,112
Note 29 – Related parties	Secured and Unsecured related party receivable (net)	1,307
Note 29 – Related parties	Unsecured related party receivable (net)	1,307
	Net income ratio	
Statement of financial position	Change in Net Assets Without Donor Restrictions	1,110,084
Income statement less Change in Net Assets With Donor Restrictions	Total Revenue and Gains	3,356,761

Note* – Financial responsibility supplemental schedule

Lease right-of-use assets

Lease right-of-use-assets – pre-implementation	127,350
Lease right-of-use-assets – post-implementation	63,165
	190,515

Lease liabilities

Lease liability – pre implementation	11,113
Lease liability – post-implementation	71,445
	82,558

Land, buildings and equipment

Land, buildings and equipment – pre implementation	3,586,298
Land, buildings and equipment – post implementation	64,019
	3,650,317

Wayne Andrews
Chief Financial Officer
END OF AUDITED FINANCIAL STATEMENTS
AUDITED BY THE AUDIT OFFICE OF NEW SOUTH WALES

**The University of Sydney**

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Printing costs

Printing costs to comply with NSW annual reporting and legal deposit requirements:
\$168.36 (excluding GST)

ISSN 0313-4474

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ABN 15 211 513 464

CRICOS 00026A

The University of Sydney Annual Report 2021