

Annual Report
2020

Acknowledgement of Country

We acknowledge the Traditional Owners and Elders past and present of all the lands on which Griffith University operates.

Griffith University's vision and mission align with the *Creating a future for all – Strategic Plan 2020–2025*.

Vision and mission

To transform lives and add to human knowledge and understanding in a way that creates a future that benefits all. We will pursue our vision through our core principles of excellence, ethics, and engagement.

Excellence

- We commit to excellence in our work, ambitious to ensure that our teaching and learning, research, and engagement is of the highest quality.
- In the pursuit of excellence, we reach across boundaries of all kinds within and beyond the University. In particular, we pride ourselves on our interdisciplinary work and our ability to engage with industry, government and the not-for-profit sector.
- Students will be provided with high-quality education and the capacity to develop and apply knowledge to exercise influence and make meaningful lifelong contributions to their communities.
- We recognise the central role of academic freedom and a robust culture of free speech to university life.

Ethical behaviour

- We celebrate being an inclusive and diverse community, and create pathways to education for a wide variety of people regardless of their background.
- We have a long-standing commitment to environmental sustainability and guardianship of our unique campus ecosystems.
- We are committed to social justice and see the United Nations Sustainable Development Goals (SDGs) as one powerful articulation of these values. The SDGs set out 17 goals to 'achieve a better and more sustainable future for all' in areas such as poverty reduction, good health, quality education, and climate action.

Engagement

- We recognise the unique place of First Peoples in our history and culture and the importance of respecting Indigenous knowledge, culture and talent.
- We are ethical in our collaborations with a wide variety of partners, seeking mutual and sustainable value in our partnerships.
- We recognise our particular obligations to the communities in which our campuses are based and are committed to being good neighbours who enhance local life.
- We engage globally, paying particular attention to our enduring relationship with Asian and Pacific countries.
- Our international relationships seek to enhance the capacity of partners in areas such as teaching and learning, research, and community partnerships.

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The following sections will be reported separately online (not within this report):

- Consultancies
- Overseas travel

Please access at griffith.edu.au/annual-report or on the Queensland Government Open Data website at data.qld.gov.au

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Griffith University is committed to providing accessible services to people from all culturally and linguistically diverse backgrounds. If you require assistance to understand the annual report, you can contact Marketing and Communications on +61 7 3735 6741 to arrange an interpreter to effectively communicate the report to you.

Report to the Minister for Education, Minister for Industrial Relations and Minister for Racing

Presented to Parliament by Command

The Honourable Grace Grace MP
Minister for Education, Minister for Industrial Relations and Minister for Racing
PO Box 15033
CITY EAST QLD 4002

24 February 2021

Dear Minister

I am pleased to submit for presentation, on behalf of the Council of Griffith University, this Annual Report 2020.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual Report Requirements for Queensland Government Agencies*.

A checklist outlining the annual reporting requirements can be accessed at griffith.edu.au/annual-report

Yours sincerely



Mr Henry Smerdon AM DUniv
Chancellor
Griffith University

Chancellor and Vice Chancellor's report

2020 overview

2020 began with great anticipation and aspirations to commence implementing the University's new *Creating a future for all – Strategic Plan 2020–2025*. Despite the disruption and economic upheaval presented by the COVID-19 pandemic, Griffith made significant progress in delivering on the Strategic Plan's objectives outlined in the Year in Review Section on pages 9–18. Griffith rose in all the major global rankings. Staff and students won prestigious grants, teaching awards and fellowships to carry out work across a wide range of areas. Staff and students are to be congratulated for their remarkable achievements throughout 2020, demonstrating tremendous ability to adapt and innovate as the University community dealt with COVID-19.

In 2020, the University recruited a number of candidates into the senior leadership ranks:

- Professor Scott Harrison was appointed as Pro Vice Chancellor (Arts, Education and Law). A Griffith graduate, Professor Harrison was first appointed in 2004 to a joint role across the School of Education and Professional Studies and Queensland Conservatorium. Since 2013, he served as Director of the Queensland Conservatorium. Professor Harrison is a past President of the Australian National Association of Teachers of Singing. In 2010 he won a national award for Learning and Teaching and in 2012 he became a National Learning and Teaching Fellow.
- Dr Peter Binks was appointed as Vice President (Industry and External Engagement). Joining Griffith as an experienced CEO, Dr Binks brings a track record of leading organisations which span the private and public sectors. He has significant experience working with universities and research organisations. He is the former CEO of the Business Higher Education Round Table, has worked for McKinsey and Company, BHP and Telstra, and was the inaugural CEO of start-up Nanotechnology in Victoria, and the General Sir John Monash Foundation. Dr Binks is a Rhodes Scholar with a PhD in astrophysics from Oxford University and has extensive board-level experience.
- Professor Liz Burd was appointed as Deputy Vice Chancellor (Education). Professor Burd joins Griffith from her role as Pro Vice Chancellor Learning and Teaching at the University of Newcastle (Australia). Previously she was Dean of Undergraduate Education at Durham University (UK) and Director of the UK's Centre for Excellence: Active Learning in Computing. As a software engineer, her research has led to many industry collaborations including IBM, Microsoft, British Telecommunication, BAe, and Logica. She has received more than \$15 million in grants and other funding to support her research. Professor Burd has also received many awards, including the IEEE-CS Computer Science and Engineering Undergraduate Teaching Award in 2008, and a UK National Teaching Fellowship in 2009. Professor Burd commenced in February 2021.

During 2020, Griffith farewelled and extended appreciation to Professor Debra Henly, Senior Deputy Vice Chancellor, Linda O'Brien, Pro Vice Chancellor (Logan), and Professor Martin Betts, Deputy Vice Chancellor (Engagement) for their significant contributions to the work of the University.

Responding to COVID-19

In January 2020, the growth of the outbreak of a new strain of coronavirus in Wuhan, Hubei Province, and its rapid spread to other countries, presented Griffith with early signals of a potential negative impact on our international students. In the initial days of the crisis, the focus of the University's response was to address the consequences of the closing of Australia's borders to travellers from China and other global 'hot spots' of COVID-19; at this time, it was believed that the impact might be limited to commencing and continuing international students for the first Trimester of 2020. As the COVID-19 situation evolved, it became clear that the pandemic would fundamentally change all areas of the University's business across teaching, research and engagement, commercial activity, and support services for domestic and international students.

In what became a rapidly evolving situation, the University had to address a number of significant ramifications to its strategy and operations. Social distancing requirements and lockdown restrictions resulted in the transition of all learning and teaching to an online environment to enable both domestic and international students to continue their studies. University staff members were required to work very quickly and innovate under trying circumstances to transform the University's work.

A number of measures were introduced, including:

- a dedicated website with information for staff and students
- regular virtual staff forums for the senior leadership group as well as broader "town halls" open to all staff
- counselling and wellbeing services for staff and students
- comprehensive guidelines to support staff and students to work remotely
- the introduction of special leave arrangements including for sessional and casual staff
- the introduction of additional preventative cleaning activities
- the cancellation of international and domestic travel on University business.

The University provided support to students through bursaries and staff donations and made 1,000 loan computers available to students requiring access to technology to support their studies from home. In response to the hardship faced by many students, the University introduced reduced study loads and academic payment plans. Access to the University's hardship fund was opened up to international students, and virtual student engagement plans were developed and integrated with virtual activities run by organisations such as Study Gold Coast and Study Brisbane. The University distributed more than 11,325 frozen meals to 772 registered students over 12 weeks in collaboration with Study Brisbane, FareShare and Foodbank Australia. Foodbank Australia continued to aid international students by providing food hampers; 75 hampers were provided weekly to Nathan and Gold Coast campuses for six weeks. An online orientation community utilising Microsoft Teams was developed for commencing international students, both onshore and offshore.

Chancellor and Vice Chancellor's report

Managing staff work allocations in 2020 was an ongoing consideration for the University. To provide some relief and in recognition of the extraordinary and continued exceptional efforts of staff during 2020 the University Council provided an ex-gratia day in April 2020 and ex gratia University holidays on 29, 30, 31 December 2020 and 25 January 2021. The University also acknowledges Council members for their contribution and deep engagement over 2020 noting the many additional meetings during the year to continue to govern the University effectively under such difficult circumstances.

The impact of COVID-19 on the university sector was unprecedented. The challenges and uncertainty caused major disruptions in 2020, and, like many others, Griffith faced difficult decisions about how to secure its future and to achieve the University's mission.

A number of government policy measures were introduced and welcomed by the University, including State Government payroll tax relief for two months, and the receipt of \$631,370 from the Queensland International Student Crisis Assistance Package. Following the 2020–2021 Federal Budget the University also received \$18.5 million as part of a one-off stimulus package to assist the research community to weather the financial impacts of COVID-19. Regrettably, universities were not eligible to benefit from other government measures, such as the Queensland Government Industry Support Package and the Australian Government's JobKeeper package.

Faced with significant uncertainty regarding short-term impacts on student load (both international and domestic), external research income streams, on-campus commercial income streams and significant losses on invested funds, the University implemented a series of short-term cost reduction measures.

These measures aimed to minimise the short-term losses facing the University during 2020 allowing time to understand the full implications of the pandemic and ensuing health and economic responses while a more thoughtful and informed response was formulated. Measures included:

- significant reduction in travel, hospitality and other discretionary non-salary expenditure
- deferring all non-critical capital expenditure and revising the University's longer-term capital program by \$300 million
- the re-direction of 20% of the salary of Executive Group members to student scholarships for six months
- freezing 2020 pay rises for all senior staff
- pausing all non-essential staff recruitment.

As a result of this focused fiscal constraint and buoyed by a strong second-half recovery in financial markets providing an unexpected positive return on invested funds, the net result for 2020 is a loss of \$5.1 million.

Non-salary areas targeted for expenditure reduction were aligned to Queensland Health guidelines and advice that constrained travel, events and engagement activities. Over the course of 2020, the University recognised that these fiscal response measures were short-term in nature and would not address the longer-term financial challenges presented by an ongoing 10–20% reduction in revenue. Griffith has estimated a shortfall of \$700 million on the University's revenue over the next five years relative to our *Creating a future for all – Strategic Plan 2020–2025* projections. The most significant risk to revenue forecasts is uncertainty regarding international student projections over the remaining period of the University's Strategy. Underlying student demand, the ongoing COVID-19 impacts, continuing border restrictions, and geopolitical factors strongly suggest heightened risk levels for some time to come.

Consequently, to address this financial impact and secure the University's long-term sustainability, in the latter part of 2020, Griffith shared with staff and students a plan and transformation program (Roadmap to Sustainability) outlining a set of comprehensive response measures for the University's operations. This plan outlined some very hard decisions to reduce costs, including a program and course rationalisation and a reduction in staff expenditure that would result in job losses. Redundancies resulted in 71 staff leaving the University, and 251 staff leaving through voluntary early retirements and separation by mutual consent. Given that the University will be recruiting for a number of these positions in 2021, the total job loss was less than 300. The plan was critical to address the longer-term financial impact of COVID-19, return the University to a financially sustainable position, and reshape the University for future success.

Institutional selected highlights

Notwithstanding the enormous challenges presented by 2020, the University continued to see great successes. Below are a selection of 2020 highlights. Congratulations are extended to staff and students, and the many others who have achieved research grant and teaching excellence award success, professional staff award winners, long service medallists and our wonderful alumni and student achievers.

Griffith is now ranked in the 201–250 range in four major global university rankings including the prestigious *Times Higher Education World University Rankings 2021*. The University's notable improvement is strong evidence of Griffith's growing reputation as an innovative and influential tertiary institution within Australia and the Asia-Pacific region. Griffith also ranks highly as a young university, positioned 30th in the 2020 *Times Higher Education Young University Rankings* and 33rd in the 2021 *QS World University Rankings Top 50 Under 50*.

The *Academic Plan 2021–2025* and the *Research and Innovation Plan 2021–2025* were both developed and approved by University Council during 2020 to drive the key actions for achieving our strategic objectives over the next pivotal five years. Both plans were devised in full awareness of the likely challenges, disruptions and opportunities that will continue due to COVID-19, and the need for a radical revision of our approaches to the core business of learning, teaching, research and innovation.

The *Academic Plan 2021–2025—Graduates Confident to face the future* will ensure a continuing path to digital transformation; support for student success in learning and transitioning to employment; and, working with industry, an increased selection of stackable micro-credentials that support life-long learning. The *Research and Innovation Plan 2021–2025* sets Griffith's direction to be a university of international influence and impact, drawing on our disciplinary and interdisciplinary strengths to tackle complex research problems.

Griffith's MBA program was identified as the top program in the world for the first time in the 18-year history of the Corporate Knights ranking; this ranking particularly recognised the MBA's focus on sustainability and acknowledged the improvement in gender and racial diversity among faculty staff. The MBA Program maintained its Tier One position in the *CEO Magazine's 2020 Global MBA rankings*, one of just 11 Australian universities to receive the accolade.

Research achievements

Our commitment to breaking the cycle of disadvantage in Logan was recognised by a \$5.5 million grant from the Paul Ramsay Foundation to fund a new community-based research program. It was the largest single philanthropic donation in the University's history. The five-year project will involve working alongside Brisbane's Logan and Melbourne's Brimbank communities to co-develop ways to break cycles of disadvantage to improve education, social and health outcomes for children and young adults in these regions.

A team of Griffith archaeologists was awarded a Science magazine's top 10 scientific breakthrough of the year for their work on the discovery of the world's oldest known rock art. The team, led by Professors Maxime Aubert and Adam Brumm from the Griffith Centre for Social and Cultural Research and the Australian Research Centre for Human Evolution, discovered and dated a cave painting at least 44,000 years old in Sulawesi, Indonesia. The painting portrays part-human, part-animal figures—'therianthropes'—hunting large mammals with spears or ropes. The age of the paintings makes them the earliest known figurative art made by modern humans.

Four Griffith researchers were awarded Australian Research Council (ARC) Future Fellowships: Professor Brydie-Leigh Bartleet (Queensland Conservatorium Research Centre); Professor Tanya Smith (Griffith Centre for Social and Cultural Research); Dr Thomas Ve (Institute for Glycomics); and Dr Yulin Zhong (Sciences, Environmental Futures Research Institute).

Four Griffith researchers were successful in the ARC's Special Research Initiative for Australian Society, History and Culture projects. Our colleagues demonstrated Griffith's continued strengths in the social sciences, achieving the country's fourth-highest amount of funding. Griffith also stood out as the leader in the state, receiving more than \$1 million of the \$1.9 million in ARC approved funding for Queensland researchers. The Griffith grant recipients were: Professor Sarah Baker and

Dr Zelmarie Cantillon (Griffith Centre for Social and Cultural Research); Dr Sally May, Professor Paul Tacon and Dr Andrea Jalandoni (Griffith Centre for Social and Cultural Research – Arts, Education and Law); Associate Professor Lynley Wallis (Griffith Centre for Social and Cultural Research – Arts, Education and Law); and Professor Sue Jackson (Australian Rivers Institute – Griffith Sciences).

Griffith was successful in being awarded Advance Queensland Industry Fellowships in early 2020. The funding will help support innovative projects to gain insight into how we can better manage our agriculture, water and environments. The successful award recipients were Dr Hannah Franklin, Dr Fernanda Adame Vivanco and Dr Shima Ziajahromi from the Australian Rivers Institute, and Dr Chiara Santomauro from the Griffith Centre for Social and Cultural Research.

Five Griffith researchers were awarded Advance Queensland COVID-19 Industry Research Fellowships in 2020. The award recipients were: Dr Tristan Casey, Griffith Centre for Social and Cultural Research; Dr Belinda de Villiers, Institute for Glycomics; Dr Yoriko Kikkawa, Griffith Institute for Educational Research; Dr Camila Shirota, Menzies Health Institute Queensland; and Associate Professor David Trembath, Menzies Health Institute Queensland.

Five Griffith researchers were awarded more than \$2 million ARC funding in the ARC Discovery Indigenous and ARC Discovery Early Career Researcher Award (DECRA) schemes. The award recipients were: Associate Professor Naomi Sunderland and Professor Brydie-Leigh Bartleet (Queensland Conservatorium Research Centre), in collaboration with researchers from other universities, for a project titled '*The role of First Nations' music as a determinant of health*'; Dr Stacy Tzoumakis (Griffith Criminology Institute), Dr Yuhai Dou (Environmental Futures Research Institute) and Dr Jun Zhang (Queensland Micro & Nanotechnology Centre) received funding for three DECRA projects of \$1.2 million over three years.

Learning and teaching achievements

The post-COVID-19 institutional transformation program saw significant change across Griffith's learning and teaching activities. Key outcomes achieved included:

- rationalisation and revitalisation of the University's suite of programs and courses
- enhanced pedagogy to ensure it continues to support the greater flexibility offered by blended learning and rationalisation of assessment.
- revitalisation of the level and quality of end-to-end professional student support services including the Library, and expanded self-help and online resources in line with changing student demand.

Chancellor and Vice Chancellor's report

Griffith educators achieved remarkable success, attaining one Australian Award for University Teaching and four Citations for Outstanding Contributions to Student Learning in 2019. Professor Richard John, School of Environment and Science, received a 2019 Australian Award for University Teaching in the Physical Sciences and Related Studies category. He is a nationally recognised STEM Education leader and his influence and contribution span all levels of education, from pre-K to university.

The University's 2019 Citations for Outstanding Contributions to Student Learning winners were: Dr Brooke Harris-Reeves, School of Allied Health Sciences for her work in enhancing student engagement with curriculum and graduate employability; Dr Taeko Imura, School of Humanities, Languages and Social Science for her commitment to transforming learning through innovative teaching methods that support students' employability and life-long learning; Sarah-Jane Gregory, School of Environment and Science, for building a collaborative community of Science scholars around curriculum innovation; and Dr Christopher Love, School of Environment and Science, for active learning innovations that improve student learning, engagement and success in biochemistry and molecular biology.

Higher Education Academy (HEA) fellowships offer global professional recognition for staff committed to continue examining and improving their learning and teaching quality. In 2020, 105 HEA fellowships were awarded to Griffith staff, four more than in the previous year, a significant achievement in a disrupted year and recognition of the role many staff played in transforming the student experience.

Awards and recognition

Professor Cindy Shannon AM, Pro Vice Chancellor (Indigenous) and Dr Don Campbell OAM, Deputy Director of the Trauma Service at the Gold Coast University Hospital were recognised in the Australia Day Honours. These were followed later in the year by recognition in the Queen's Birthday Honours list for Professor Sheena Reilly AM, Pro Vice Chancellor (Health) and Professor Julia Crilly OAM, School of Nursing and Midwifery. Dr Dinesh Palipana from Menzies Health Institute Queensland's Griffith Centre for Biomedical and Rehabilitation Engineering (GCORE), was awarded the 2021 Queensland Australian of the Year. Dr Palipana was recognised for his continued work and advocacy for inclusivity in medical education and employment for people with disabilities.

Griffith University's Director and Head of Research for the Institute for Glycomics Professor Mark von Itzstein AO was honoured with the Gold Coast Citizen of the Year Award at the city's 2020 Australia Day awards. Our staff's academic excellence was also highlighted through recognition of leading scholars as fellows of learned academies. Professor Caitlin Byrne, Director, Griffith Asia Institute, was appointed as a Fellow of the Australian Institute of International Affairs and Professor Susanne Karstedt, Griffith Criminology Institute, was elected as a Fellow of the Academy of the Social Sciences in Australia.

Three Griffith University members received the prestigious Fulbright Scholarship to study in the USA: Queensland Conservatorium Research Centre Director, Professor Brydie-Leigh Bartleet; Bachelor of Computer Science alumnus Joshua Russell; and Bachelor of Medicine/Bachelor of Surgery alumnus Grace Yeung.

Griffith Film School (GFS) graduates were successful in the International Emmy Awards. Bluey, created by a team of GFS alumni, won the Kids/Preschool category. Bluey is the ABC's most-watched show, with 241 million plays since its launch in 2018. Fellow GFS graduate Daniel Snaddon won Best Kids Animation for his critically acclaimed movie Zog, based on a popular children's book by Julia Donaldson.

Our students' quality was once again demonstrated as nine were named as 2021 New Colombo Plan Scholars. Once travel is permitted, they will be heading off across Asia and the Pacific to undertake study and internship opportunities.

A total of six staff, student and alumni were awarded prestigious Churchill Fellowships; these fellowships were awarded across diverse fields, from health to the arts and music, business, sport, science and more. Recipients can travel overseas for up to two months to explore a topic or an issue they are passionate about.

Adjunct Assistant Professor Nick Marshall, Sports and Musculoskeletal Physiotherapist, was named Griffith's Outstanding Alumnus for 2020. Professor Marshall created the Albatross Nippers, an all-inclusive junior lifesaving program for Gold Coast children with special needs. Dr Elise Stephenson received Griffith's 2020 Outstanding Young Alumnus-award, Zhariff Afandi received the Outstanding International Alumnus award, and Cameron Costello was awarded Griffith's 2020 Outstanding First Peoples Alumnus.

Concluding remarks

2020 was an extraordinary year. We have been fortunate in Queensland to be spared the worst of the health crisis. Our thoughts are with our extended Griffith community in parts of the world where the cost has been much higher. In difficult times, a silver lining was the extraordinary way people across Griffith worked with professionalism and dedication to continue the educational experience for students and ensured that important research and operations could continue. No team in the University remained untouched, and staff members stepped up to support each other, students and partners. The University acknowledges and greatly appreciates the engagement and efforts displayed by staff in response to COVID-19 and their commitment to achieving positive outcomes in such demanding circumstances.

While 2020 was immensely challenging, Griffith will continue to be a wonderful place to work, research, study and visit for many years to come. In 2021, Griffith will continue to deliver on its mission to transform lives and to create a future for all by providing life-changing education and research with impact.

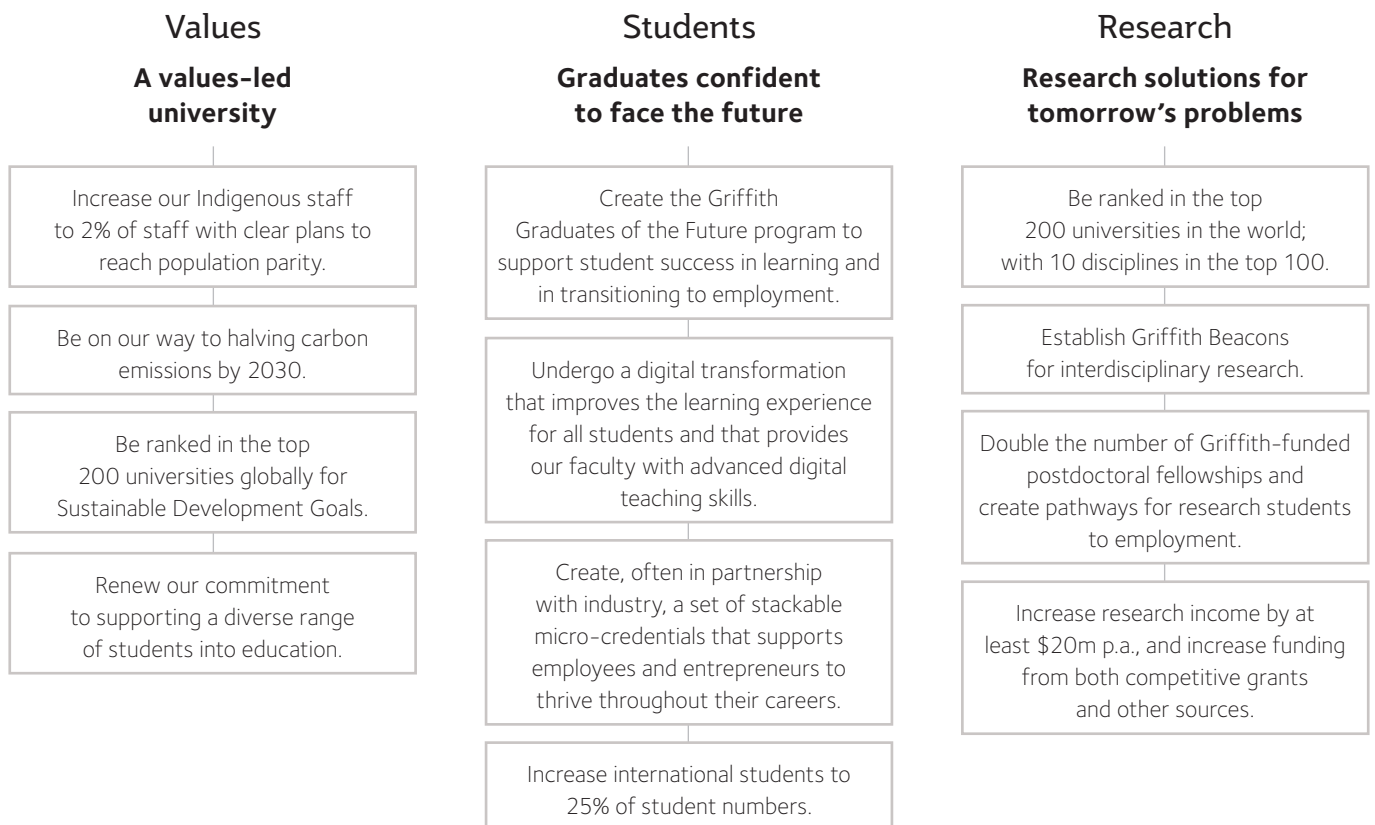
Year in review

Year in review

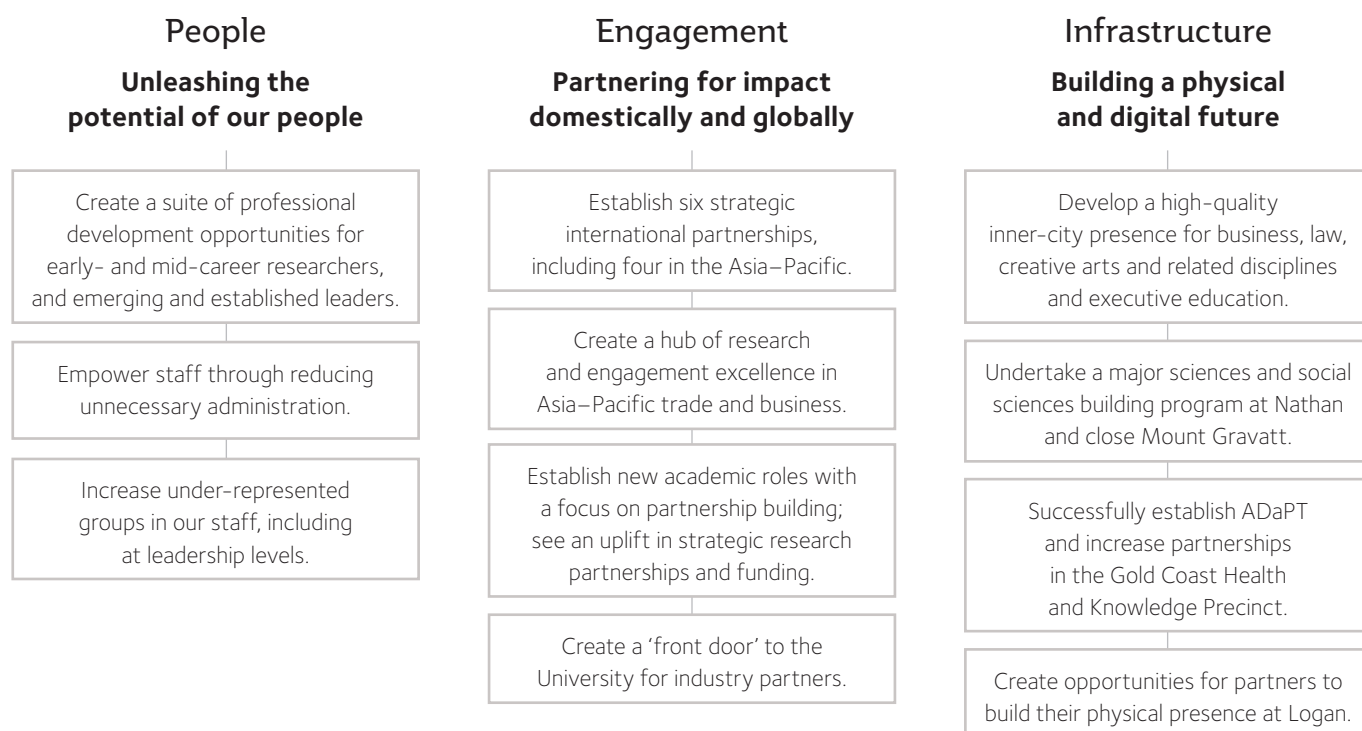
Griffith's *Creating a future for all – Strategic Plan 2020–2025* outlines the vision and mission of the University as well as the key actions and outcomes the University plans to achieve in the period to 2025—Griffith's 50th anniversary since first admitting students.

The Strategy is structured around six inter-related core commitments which cascade from our values and include the core activities of high-quality teaching and research, enabled by strategic partnering, a substantial renewal of our campuses and a significant investment in people. The key achievements of 2020 are summarised in this section.

By 2025, we will:



The challenges of 2020 were unprecedented for Griffith and the broader higher education sector. Despite these challenges, the University made significant progress on the implementation of the Strategy and celebrated successes in research, learning and teaching, and engagement.



Year in review

Core commitment 1—Values

A values-led university

Strengthening First Peoples leadership

In January 2020, Professor Cindy Shannon AM—a Ngugi woman, one of Australia's foremost higher education Indigenous leaders and announced as a Queensland Great by the State Government in 2017—commenced as the University's first Pro Vice Chancellor (PVC) (Indigenous). As a member of Griffith University's Executive, Professor Shannon works alongside colleagues in enabling all aspects of First Peoples engagement as well as strategies to enhance participation, support and success of its First Peoples communities. In recognition of this important leadership role in delivering a whole-of-university coordinated approach to First Peoples engagement, the GUMURRII Student Success Unit and the Indigenous Research Unit now sit within the PVC (Indigenous) portfolio, together with the additional appointment of a Director, Indigenous Engagement.

In 2020, Griffith undertook a review of First Peoples governance to support the PVC (Indigenous) in implementing Griffith's First Peoples strategic objectives. The recommendations of the review have been supported by the University's Executive and include the appointment of a new leadership position of First Peoples Director of Learning and Teaching and the establishment of a refreshed governance committee—the Griffith University Elders and First Peoples Knowledge Holders Advisory Board. These recommendations will be implemented in 2021.

The University increased the proportion of both academic and professional First Peoples staff to 1.9% and 1.7% of total staff, respectively. Our First Peoples employment goals have been driven by the First Peoples Employment Committee, First Peoples Employment Consultant and actions within the Griffith University Athena SWAN Action Plan.

Expanded entry pathways, study options and support for students from a diverse range of backgrounds

In 2020, Griffith expanded entry pathways to support a diverse range of students into education. These include the Griffith Personal Statement, VET Pathways to Griffith, the Logan Direct Admission Scheme, and the entry pathway for the admission of First Peoples into selected Griffith Health Programs and the First Peoples Selection Survey. Griffith offers enabling and bridging programs that can provide alternative pathways for students who lack the requirements for admission to undergraduate study. Eligible students can improve their chances of entry through the University's adjustment factor pathways, including the Gold Coast and Logan Priority Access Scheme, Nathan, Mount Gravatt and South Bank Community Engagement Scheme, Elite Athlete Adjustment Factors and the Year 12 Subject Adjustment Pathway.

The University also provides support through central mentoring programs, which had high and widespread use during 2020 with more than 16,000 student consultations. Gifted students are offered opportunities to gain additional leadership experiences through the Griffith Honours College or Sports College.

Preliminary data shows 2020 First Peoples participation to be equal with that of 2019 participation rates. The GUMURRII Student Success Unit enacted a range of early intervention measures to reach out to First Peoples students during COVID-19. Griffith University's Indigenous Research Unit initiated Pandemic Positivity, an online yarning circle that engaged with First Peoples HDR candidates and staff. The initiative provided a safe space for students and staff to address their challenges during the pandemic, and engage and connect with their cohort, services and opportunities for learning and development.

Additionally, the University offered more than 600 scholarships, delivering financial assistance for eligible students based on their academic or personal circumstances, with approximately 20 scholarship categories discretely targeted at First Peoples. In 2020, Griffith supported students with \$5.4 million in bursaries and \$6.5 million in scholarships and introduced a COVID-19 Student Support Bursary in recognition of the significant need among its domestic and international student community.

Reducing our energy demand and sourcing renewable power

Carbon reduction is a global issue and the University has committed to meeting the recommendations of the Intergovernmental Panel on Climate Change which aims to keep global warming to no more than 1.5°C above pre-industrial levels.

Across 2020, the University delivered on initiatives to avoid and reduce emissions, achieving a 14% reduction in emissions, and established arrangements to transition to purchasing clean energy.

The University entered into an agreement with CS Energy that will ensure 50% of its electricity needs are provided by renewable power sources from 2021. The University uses about 60 million kilowatt-hours annually across all campuses, which represents approximately 70% of the University's total carbon footprint. The agreement will see Griffith purchase clean, affordable green energy from Queensland's Columboola Solar Farm.

The University's response to the COVID-19 pandemic had an unplanned, but positive, impact on emissions through campus closures and reduced airline and vehicle travel.

The achievements made in 2020 in reducing carbon emissions adds to Griffith's progress already made over the past two years towards meeting environmental sustainability goals. These include the introduction of the Griffith Climate Change Response Program, establishing the Centre for Environment and Population Health, the establishment of the Carbon Emissions Reduction Working Group as part of the Sustainability Sub Committee, and several transport, energy and conservation management strategies.

Core commitment 2—Students

Graduates confident to face the future

The *Academic Plan 2021–2025—Graduates confident to face the future* was developed and approved by the University's Council in 2020. Underpinned by Griffith's core principles of excellence, ethics and engagement, and recognising the long-term impact of COVID-19, the Plan reinforces our commitment to student success, irrespective of their backgrounds. With a focus on innovative and sustainable approaches to teaching and learning, the Plan will be implemented from 2021 to support the achievement of Griffith's strategic learning and teaching goals by 2025.

Digital transformation of teaching, learning and student support

Griffith's digital transformation, as well as significant transitions of learning, teaching and student support to online was accelerated during 2020 as part of the University's response to COVID-19.

Griffith was well placed to extend its teaching, learning and operations to an online environment at the onset of the pandemic given the University's 20 years of experience teaching online. Within a two week period, the University made new technology available at a large scale to its staff and students and fully transitioned to online teaching involving more than 2,000 courses without cessation of classes. International students offshore were supported to be able to continue their studies remotely.

Both academic and professional staff developed capabilities in delivering events, lectures, and tutorials through the Virtual Learning Environment (VLE), an integrated suite of collaborative online teaching tools such as Microsoft Teams and Blackboard Collaborate, which provide heightened reach for students and the broader Griffith community. Blackboard Collaborate had an eight-fold increase in the number of online sessions across the year, with a 26% increase in user activity in the broader VLE across the same period.

In addition, 2020 saw the significant innovation in approaches to learning and teaching and assessment, as well as in the delivery of services. Digital upgrades to key online service platforms and advisory tools saw an improved online student experience. Pastoral care and e-counselling, telehealth services, orientation for Trimester 2, graduations, and the MATE bystander program for the prevention of violence and problematic behaviour were moved online to meet the needs of students. The Library also transformed to operate a fully online service and resource delivery during the height of 2020 pandemic restrictions, and mental health and wellbeing support was offered through new or expanded and accessible channels.

Preparing graduates for post COVID-19 employment

Since the launch of Griffith Credentials, a digital version of qualifications, in 2018, the University has developed more than 120 micro-credentials and issued more than 20,000 digital badges. Griffith continued to evolve its micro-credential and digital badge offerings in 2020 through the launch of Griffith Professional. This extensive suite of micro-credentials is designed to help professionals prepare for new employment opportunities in a post-pandemic world. The courses, which help professionals fast-track in their existing careers, aim to fill the skills gap expected to dominate the employment landscape due to the severe disruptions to business caused by COVID-19.

Griffith's suite of micro-credentials directly responds to the Queensland's economic recovery plan. It has been applied to a range of study disciplines, with 22 individual courses available in Trimester 3 2020 and up to 100 in 2021. In line with the University's Strategy, the courses are stackable, allowing students to study one to obtain a digital badge, a combination of two courses for a Certificate in Professional Studies, or a total of four courses to secure a Graduate Certificate in Professional Studies.

Griffith introduced new online graduate certificates in Cyber Security, and Cyber Security and Data Analytics. These programs were developed and offered in Trimester 2 2020 in response to the federal government's Higher Education Relief Package to support those whose employment may have been impacted by the COVID-19 pandemic.

In response to the federal government's Job-ready Graduates Package, Griffith developed its Job-ready certificates for launch in 2021. In alignment with national priorities, the 22 programs are designed to provide skills in areas that are critical in the contemporary job market, such as data science, sustainability, public health and education. Two undergraduate certificates in Education and STEM Foundations were introduced for enrolment in 2021. Successful completion of these programs may provide students with a pathway into Griffith University bachelor degrees.

Year in review

Core commitment 3—Research

Research solutions for tomorrow's problems

Improvement in global rankings

Griffith continued to improve its position across a range of global rankings in 2020, building on several years of progress towards its goal to be ranked in the top 200 universities in the world by 2025.

The University performed strongly in the *Times Higher Education (THE) World University Rankings 2021*, improving in eight of 13 indicators and consolidating its position in the 201–250 band for the second year in a row. Under this metric, the University was also ranked 13th in the country.

In the *QS World University Rankings*, Griffith climbed 17 spots to hit an overall global rank of 303rd, with the University's academic reputation inside the top 300 (288th) and citations per faculty within the top 200 (185th), highlighting the strength of its research impact globally.

Griffith achieved improved results in both the global *THE Young University 2020 rankings*—rising five places from 35th to 30th—and *QS Top 50 Under 50*, moving from 37th to 33rd.

The University currently has three disciplines inside the global top 10 according to *Shanghai Ranking's Global Ranking of Academic Subjects*: Nursing and Midwifery, which ranked second in the world in 2020, Hospitality and Tourism Management (No. 3) and Marine/Ocean Engineering (No. 8). Also, Griffith is placed first nationally for Law and Criminology with world ranking in the 51–75 range. Another four subjects recognised in the global top 100 were Geography, Computer Science and Engineering, Water Resources and Education.

Griffith was placed inside the global top 20 in the *2020 AI Research Index*, ranked at No. 17 in the world.

Introduction of the Climate Action Beacon

Griffith introduced the Griffith Climate Action Beacon—the first of several planned major interdisciplinary research initiatives known as 'Griffith Beacons'—to address one of the world's most pressing problems. The Climate Action program will harness expertise from within the University and its partners to generate knowledge and groundbreaking research that delivers social dividends and enduring solutions for climate change.

The Climate Action Beacon is centred on the need to achieve three broad societal outcomes:

- **Motivating climate action:** building the case for and enabling the practice of climate action among individuals, and collectively in communities, organisations and government.

- **Future climate transitions:** supporting progress towards climate-resilient development and net-zero carbon emissions.
- **Climate justice:** ensuring that climate actions are fair, equitable and just, contributing toward the broader sustainable development goals.

Griffith will create climate-ready partnerships with government, business, industry and communities as it works to prepare society for the transition towards a net-zero emissions and climate-resilient future.

Delivering research outcomes

Griffith's 2020 Higher Education Research Data Collection (HERDC) Income Return for 2019 was \$87.47 million—the highest amount ever returned by the University. Griffith is increasingly earning higher proportions of its research income through the public sector and industry sources.

The University received more than \$35 million in National Health and Medical Research Council (NHMRC) and Australian Research Council (ARC) awards during 2020, including the NHMRC \$2.5 million in funding for the Centre of Research Excellence in Wiser Wound Care. Seven NHMRC Ideas grants totalling \$4.5 million, two NHMRC Investigator grants totalling \$3.5 million, and one \$3.6 million NHMRC Partnerships Projects grant represent a further expansion of Griffith's health and medical research profile. Griffith won 15 ARC Discovery Project grants commencing in 2020, totalling more than \$5.5 million; with a success rate of 17.5%, Griffith was placed 10th nationally and 2nd in Queensland. In addition, four Griffith researchers were awarded ARC Future Fellowships totalling \$3.8 million, and three early career researchers were awarded \$1.2 million in ARC Discovery Early Career Researcher Awards. Griffith was also awarded more than \$1 million in ARC Special Research Initiative funding for four projects related to the Council's Australian Society, History and Culture scheme.

More than \$25 million in other major research funding grants were also announced during 2020, including:

- A \$5.5 million grant from the Paul Ramsay Foundation to fund a new community-based research program. This is the largest single philanthropic donation in the University's history.
- Australian Rivers Institute members Dr Fernanda Adame, Dr Hannah Franklin and Dr Shima Ziajahromi received Advance Queensland Industry Research Fellowships to fund projects investigating how wetlands can improve water quality in the Great Barrier Reef; how natural river processes treat water in the Queensland region; and how microplastics in biosolids impact agricultural land and soil biota.
- Professor Sandi Hayes from the Menzies Health Institute Queensland, leading a multi-institutional team, was awarded a Cancer Council Queensland Accelerating Collaborative Cancer Research grant of \$1.4 million for ovarian cancer research.

- Five Griffith researchers were awarded Advance Queensland COVID-19 Industry Research Fellowships in 2020. Dr Tristan Casey (Griffith Centre for Social and Cultural Research) was awarded \$180,000 to develop crisis management toolkits; Dr Belinda de Villiers (Institute for Glycomics) was awarded \$90,000 to evaluate COVID-19 antiviral and vaccine candidates; Dr Yoriko Kikkawa (Griffith Institute for Educational Research) was awarded \$180,000 to improve life support training for frontline healthcare workers; Dr Camila Shiota (Menzies Health Institute Queensland) was awarded \$90,000 for a rehabilitation project accelerating technology uptake during a pandemic; and Associate Professor David Trembath (Menzies Health Institute Queensland) was awarded \$150,000 to optimise telehealth for autism-related services.

Increased commercial research partnerships

Despite the challenges presented by COVID-19, Griffith exceeded 2019 income through commercial research and technology transfer partnerships in 2020. The University entered into partnerships valued at \$38.2 million in 2020, including:

- \$5.7 million for the second phase of Associate Professor James St John's, Clem Jones Centre for Neurobiology and Stem Cell Research, spinal injury project, aimed at translating a cellular therapy for spinal injury into a clinical phase I study and peripheral nerve injury therapy into animal models.
- Professor Suresh Mahalingam's, Menzies Health Institute, COVID-19 vaccine candidate, was licensed to Indian Immunologicals Ltd for \$0.8 million for preclinical and clinical development and roll-out of a second-generation COVID-19 vaccine.
- Delivery of a \$2.4 million "PharMIbridge" project by Professor Amanda Wheeler, School of Human Services and Social Work, in partnership with the Pharmacy Guild to train community pharmacists to deliver better services to mental health patients.

Core commitment 4—People

Unleashing the potential of our people

The COVID-19 pandemic and the need to rapidly adapt the way the University delivered, and supported learning, teaching and research led to the introduction of Working Anywhere, Anytime guidelines, resources and development programs. The program supported leaders and staff in adapting, supporting and leading flexible, resilient and remote working practices for remote individuals and teams. Digital, professional development was also swiftly introduced to support academic staff transition to online teaching. More than 100 workshops were delivered across three weeks to help academic staff transition successfully to complete online delivery of more than 2,000 courses without cessation of classes.

Academic and professional staff also had the opportunity to develop skills and capabilities in building resilience, workload and time management practices, personal effectiveness strategies and leading during challenging times through the release of new development programs. LinkedIn Learning licences were made available to all staff, providing digital access to a content library of more than 10,000 courses, delivering 1,338 hours of self-directed and curated professional development.

In recognition of the challenge of leading teams through a period of significant change and uncertainty presented by COVID-19, and to support the University's 100 senior leaders, Griffith developed a program 'Leading Change Together' and partnered with leadership development specialists *Leading Strategems* to deliver a program offering contemporary leadership approaches and tools, individual coaching and tailored sessions that catered for the unique challenges of leading through change.

In 2020, the University successfully redesigned and delivered Managing at Griffith, an early-career foundational leadership development program, and Manager as Coach, its flagship leadership program, for remote delivery. The success of these leadership development programs will be leveraged to bring together a comprehensive leadership program in 2021 as part of a new Leadership Capability and Development Framework. The Framework defines leadership profiles, accountabilities and broad development requirements at all levels, and will be finalised and piloted in 2021.

The Office of Research developed and delivered a range of initiatives and programs focused on supporting the development of researchers across all career stages, from HDR candidates to the professoriate. In 2020, these sessions shifted to online delivery and participation grew to 1,394 academic and 1,841 HDR candidates.

A diverse and inclusive work environment

Griffith's continued dedication and focus on creating a diverse and inclusive work environment was recognised in 2020 with two national diversity and inclusion awards:

- **LGBTQ Inclusion Awards (Australian Workplace Equality Index (AWEI), Pride in Diversity):** Griffith was one of the top three organisations recognised within the Bronze Tier.
- **Women in Digital Awards:** Griffith was awarded the 2020 Diversity Employer of the Year (Enterprise) in recognition of an inclusive environment, which extends to leadership levels, providing equitable access to professional development, opportunities to provide feedback, targeted diversity programs and a commitment to improving women and other under-represented groups' experience.

Year in review

More than half of the University's staff (61%) and Executive Group (55%) are women, 49% of senior professional staff, and 45% of senior academic staff. The University has also increased the representation of First Peoples in leadership, academic and professional roles. To achieve these initiatives, programs, plans and guides have been created across the University to support the creation of a diverse and inclusive environment, including:

- Women in Leadership Program
- Leneen Forde Leaders Program, supporting the development of women who are succeeding in leadership roles
- Gender Equality Research Network, an interdisciplinary network of Griffith academics focusing on gender equality research
- Griffith Ally Network, a network of students and staff who support and affirm the experiences of people who identify as LGBTQ+ at Griffith
- Continued improvement and expansion of parenting facilities on each campus—in 2020, parenting and breastfeeding facilities were open for use in the new Engineering, Technology and Aviation Building (N79) and a multi-campus audit was commenced to identify potential improvements and opportunities for additional rooms
- First Peoples Employment Plan, developed in 2020 in consultation with key Griffith stakeholders. The PVC (Indigenous) will lead the Plan's implementation in 2021.
- Achievement Relative to Opportunity Guidelines were introduced in 2020. These guidelines assist staff in the evaluation of a person's achievements based on the opportunities that have been available to them and thereby support the fair inclusion, recognition and reward of a diversity of existing and potential staff.

Core commitment 5—Engagement

Partnering for impact domestically and globally

The Industry & External Engagement (IEE) portfolio was established in late 2020 to support the commitments of the *Creating a future for all – Strategic Plan 2020–2025*. As outlined in the Chancellor and Vice Chancellor's report, Dr Peter Binks was appointed as Vice President (Industry and External Engagement) in November 2020 to lead the University's engagement. Dr Binks has significant experience working with universities and research organisations. He is the former CEO of the Business Higher Education Round Table (BHERT), has worked for McKinsey and Company, BHP, Telstra, and was the inaugural CEO of start-up Nanotechnology in Victoria.

Key University industry-based strategic partnerships formed during 2020 include:

- **China Grand Pharmaceuticals (China):** In December 2019, Griffith's Institute for Glycomics partnered with Hong Kong-listed China Grand Pharma's newly established Australian company, Grand Medical Ltd, to develop a new drug for human parainfluenza virus. The exclusive licence and co-development

agreement is to co-develop and commercialise the human parainfluenza drug candidate globally. The multimillion-dollar agreement represents Australia's largest preclinical-stage university engagement with a pharmaceutical company to discover a novel antiviral drug and reflects Griffith's strong scientific team.

- **Sienna Diagnostics (Australia):** In April 2020, Griffith University's Institute for Glycomics and the University of Adelaide entered into an exclusive licensing deal with Sienna Cancer Diagnostics Ltd to commercialise a novel cancer diagnostic tool. The teams of researchers have engineered a unique protein that binds specifically to a sugar molecule only present in cancer cells. Sienna Cancer Diagnostics Ltd, a medical technology company developing and commercialising innovative cancer-related tests, has signed the worldwide license agreement to develop and commercialise a unique cancer probe which is complementary to other recent Sienna technology initiatives. The protein binds to a sugar molecule only present in human cancers and can detect its presence in the serum of cancer patients.
- **Everledger (UK):** In July 2020, Griffith Business School signed a Memorandum of Understanding (MOU) with London-based blockchain company Everledger, founded by Leanne Kemp, the current Queensland Chief Entrepreneur. Everledger uses secure technologies including blockchain, artificial intelligence, intelligent labelling and the Internet of Things. The MoU outlines a mutual intention over the next three years to address the challenges of meeting the UN Sustainable Development Goals (SDG). A series of research and development projects has been launched to co-develop technology-enabled tools to identify and trace assets in various industries.
- **Gilmour Space Technologies (Australia):** In October 2020, Griffith signed an MOU with Gold Coast company Gilmour Space Technologies that will see Low Earth Orbit prototype satellites developed locally and deployed for launch in 2023. The five-year agreement will include a range of projects aimed at increasing Australia's Low Earth Orbit satellite capability by undertaking research and development for Aerospace Applications towards the development of small satellite prototypes.
- **Bentley Systems (USA):** In November 2020, Griffith established an academic partnership with US-based software development company Bentley Systems. The initial three-year collaboration will see digital and spatial technology opportunities embedded into the curriculum spanning engineering, architecture and construction management. The aim is to ensure that students in built environment programs have access to industry-leading software and the chance to develop digital skills that are highly valued by employers. The academic partnership will encompass three aspects: teaching opportunities, research outcomes and professional learning benefits. Bentley Systems will co-locate a development lab at Griffith's Nathan campus as part of the collaboration, providing students with the opportunity to design and view projects in augmented and virtual reality.

- **NanoStrings (USA):** In November 2020, Griffith agreed to establish a Centre of Excellence in spatial biology in collaboration with NanoString Technologies, a publicly held provider of life science tools for translational research and molecular diagnostic products. The Griffith University Centre of Excellence in Spatial Biology will provide capability to undertake innovative and state-of-the-art immunophenotyping across a number of diseases. It will serve as a portal for researchers across Asia-Pacific to undertake research and development activities.

In 2020 the University reoriented partnerships and sponsorships activity to support the major arts activities through the Queensland Conservatorium, the Queensland College of Arts, the Griffith Film School, and external partners such as the Queensland Ballet and the Bleach* Festival. The University also enhanced its engagement across the South East Queensland region by developing and growing partnerships with the Home of the Arts (HOTA) on the Gold Coast, the Queensland Museum Network and Business South Bank.

Core commitment 6—Infrastructure

Building a physical and digital future

Development of the proposal for a CBD campus

Griffith is continuing to work on expanding its presence in inner-city Brisbane with a new flagship campus. The campus will accommodate business, law, information technology, Griffith College, a postgraduate centre, and engagement spaces to showcase Griffith's strengths, attract students and increase industry and government collaboration. Ideally located in proximity to a major transport hub within the CBD, a new vertical campus will offer unparalleled access to education, world-class research and industry for a wider demographic of Queenslanders, and create a 'front door' for Griffith.

The development of a flagship CBD campus aligns with Queensland Government priorities and is intended to act as a catalyst for adjacent inner-city renewal attracting investment and employment opportunities. An Advanced Concept Proposal was submitted to the Queensland Government for consideration and co-investment. Griffith remains committed to the capital investment needed for the new CBD campus, with the focus in early 2021 on completion of concept designs and working with Queensland Government and associated partners to finalise siting and commercial arrangements.

Griffith will continue to maintain its presence in the inner-city South Bank campus with the Queensland College of Art and Griffith Film School. The University is committed to the opportunity that South Bank Corporation's master plan review will offer to enhance this vibrant urban cultural precinct, and has been actively involved in the master plan process, including investigating options for the southern entrance. Griffith is excited to be part of South Bank's future and to remain an anchor institution in the precinct.

Creating a vision for Nathan campus

The long-term vision for Nathan campus is to create a lively and engaging campus that reflects our ambition to transform lives and add to human knowledge and understanding. The process of developing a new master plan for Nathan campus commenced in 2020 to bring this vision to life and to accommodate the closure and transition of Mount Gravatt campus. The Nathan master plan will establish a long-term roadmap to manage growth and change across the campus and create opportunities for social infrastructure to benefit industry collaboration and the broader community. In the immediate term, the master planning process will also inform the design of new sciences and social sciences buildings.

In addition to commencing the Nathan campus master planning in 2020, approval and funding was provided to design a new building at Nathan campus to replace the existing N13 Environmental building. The N13 building, one of the first developed at Nathan campus, has come to the end of its useful life and provides an ideal location at the campus heart for construction of a new professional education building. The ambition for the new professional education building is to support activation of the campus and to provide inclusive and contemporary facilities for the relocation of learning, teaching and research spaces from the Mount Gravatt campus. To enable the new professional education building to be ready for occupation in 2025, approval and funding was received for the decant of the current N13 building occupants. Planning and design for the construction works for the decant have commenced and are on schedule for completion in 2022.

Progress on the Sciences building, the second building envisaged under the Strategy for development at Nathan campus, has been paused. Instead, the opportunity to leverage the existing capital works program to decant N13 and reinvest in existing Sciences buildings is being progressed.

ADaPT facility development approval

Located within the Gold Coast's 200-hectare Health and Knowledge Precinct, the Advanced Design and Prototyping Technologies (ADaPT) facility will be unique in Australia, providing end-to-end services to industry, from design through to advanced 3D printed prototypes.

ADaPT will align with and incorporate the University's long-term strategic direction for collaboration of disciplines in an industry-focused, research-driven commercial environment—a space where industry and University combine to create an impact globally. Organisations that have expressed interest in being a part of this facility work in a diversity of fields including health, aviation and engineering, with several potential partners planning to use services provided by ADaPT in key areas such as additive and advanced manufacturing, and tooling and process development support.

Year in review

Griffith's presence in this world-class precinct will be a catalyst for increasing interest and investment in a precinct that is a unique global business location for high-tech industry development, research collaboration and jobs of the future, a new way ahead for Australia's leading Lifestyle City and Asia-Pacific's emerging health and innovation hub.

The focus across 2020 was completion of the business case, concept designs and development approval, ensuring the ADaPT facility can progress immediately into detailed design and procurement once funding arrangements are secured.

Griffith is seeking co-investment from the state and federal governments to support the delivery of the ADaPT facility.

The development will create an estimated 300 jobs over the two-year construction period and provide much-needed stimulus to the Gold Coast economy as it recovers from the impacts of COVID-19.

Engaging with the community through the Logan campus

Logan campus plays a vital role in the local community, and Griffith has created strong partnerships with surrounding key institutions such as Logan Hospital, TAFE, Council and community organisations. The campus currently has considerable available space and the ambition is to attract investment and expand the on-campus presence of industry and government partners, research collaborators, services and community facilities.

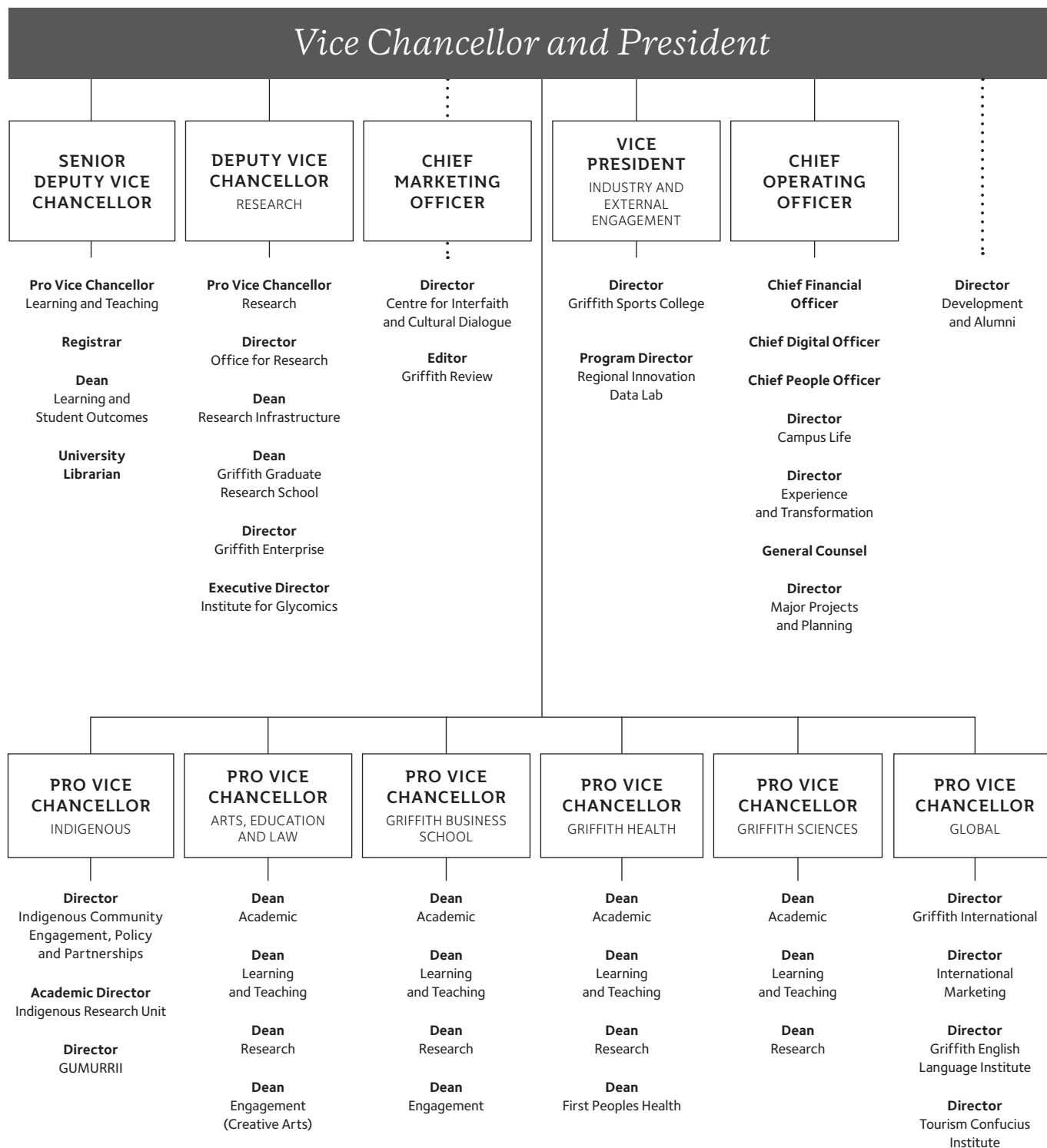
A review of the Logan campus master plan identified opportunities for further campus development to act as a catalyst to engage the local community and deepen existing teaching and research and associated industry partnerships. The focus across 2020 was to gain a deeper understanding of the opportunities within the surrounding Meadowbrook precinct and to identify the best uses for available development spaces at Logan campus. To bring these development opportunities to life and create a vibrant and accessible space, the University seeks to partner and co-invest with government, local industry and community groups in the future.

Governance

Governance

Management and structure

Organisational structure



Enabling legislation

Griffith University is constituted under the *Griffith University Act 1998* (the Act) as a body corporate and has a common seal. The University was established on 21 September 1971 under the *Griffith University Act 1971*.

Functions

In accordance with the functions outlined in Section 5 of the Act, the University:

- provides education at university standard
- provides facilities for study and research generally, and in particular, for people in the cities of Brisbane, Gold Coast and Logan
- encourages study and research
- encourages the advancement and development of knowledge, and its application to government, industry, commerce and the community
- provides courses of study or instruction (at the levels of achievement the Council considers appropriate) to meet the needs of the community generally, and in particular, the people in the cities of Brisbane, Gold Coast and Logan
- confers higher education awards
- disseminates knowledge and promotes scholarship
- provides facilities and resources for the wellbeing of the university's staff, students and other persons undertaking courses at the University
- exploits commercially, for the University's benefit, a facility or resource of the University, including, for example, study, research or knowledge, or the practical application of study, research or knowledge, belonging to the University, whether alone or with someone else
- performs other functions given to the University under the Act or another Act.

Campuses, academic groups and support services

Through its organisational and management structure, Griffith fosters coherence and cooperation in its teaching, research and service, and promotes the efficient and effective deployment of resources across its five physical campuses and one digital campus.

Academic units, including schools and departments are organised into the following four groups to facilitate learning and teaching, research and service activities across campuses:

- Arts, Education and Law
- Business
- Health
- Sciences.

Research is also conducted within the Deputy Vice Chancellor (Research)'s portfolio, for example through the Institute for Glycomics.

Support services, such as Student Life, Finance, People and Wellbeing, Digital Solutions, Campus Life, Marketing and Communications, the Office of the General Counsel, Griffith Enterprise, the Office of Research and Griffith International are organised as central functions that operate across all campuses. This structure supports consistent service levels, efficient resource use, and access to professional support and specialist expertise for all areas.

Griffith campuses

- Gold Coast
- Logan
- Mount Gravatt
- Nathan
- South Bank
- Digital

Controlled entities

Using powers granted under Section 65 of the *Griffith University Act 1998* the University has these controlled entities:

- International WaterCentre Pty Ltd established to provide professional education and training, capacity development and applied research services. During 2020, the entity's activities have largely transitioned to the University and the entity is in the process of being wound up and ultimately deregistered.
- Griffith Innovation Centre Ltd, (formerly Gold Coast Innovation Centre Ltd) established to encourage the growth of emerging technology enterprises in Queensland and provide mentorship. The entity's activities ceased several years ago and the entity is in the process of being wound up and deregistered.

Quality

Griffith embeds quality in all of its processes to achieve excellent outcomes. The culture is one of innovation and responsiveness, review and improvement. Responsibility for quality is explicitly assigned to line managers, particularly the Deputy Vice Chancellors, Vice Presidents, Pro Vice Chancellors, Deans, Heads of Schools and Departments, and Directors—in consultation with key University committees.

Governance

University Council

The governing body of the University is the Council, as constituted by the *Griffith University Act 1998*. The Council has the powers given to it under the Act, in particular to:

- appoint the University's staff
- manage and control the University's affairs and property
- manage and control the University's finances.

The Council reviews compliance with the *Voluntary Code of Best Practice for the Governance of Australian Public Universities* annually, and the University remains compliant with all aspects of the Code.

Council achievements

Key strategic decisions and governance activities of the Council in 2020 were:

Approvals:

- University Budget 2021–2025
- Capital Management Plan 2021–2025
- *Creating a future for all – Strategic Plan 2020–2025* Key Performance Indicators and an update on implementation of the Strategic Plan
- *Academic Plan (2020–2025)—Graduates confident to face the future*
- *Research and Innovation Plan (2020–2025)*
- Revised Risk Reporting Framework
- Establishment of four executive positions arising from Council's endorsement in 2019 of the Chancellery Review and proposed organisational structure: Provost; Vice President Industry and External Engagement; Deputy Vice Chancellor Education and Vice President Advancement
- Revised Brisbane Campus Strategy and Campus Major Projects Funding
- Delegations Framework
- Academic Freedom and Freedom of Speech Policy
- Workplace Change: Roadmap to Sustainability.

Other key activities:

- Verified ongoing compliance with the *Voluntary Code of Best Practice for the Governance of Australian Public Universities, and TEQSA Higher Education Standards Framework (Threshold Standards) 2015*
- Noted two academic review reports and implementation plans and five 18-month progress reports
- Invited three nominees to accept the award of Doctor of the University
- Held five special meetings to consider the ongoing impacts of the COVID-19 pandemic.

An independent review of Council was undertaken in 2019 and submitted to Council in February 2020. The review report's overall finding was that the University maintains a very high standard of regular review, monitoring, revision and documentation that enables Council to confirm effective oversight of all corporate governance requirements. The review report concluded that Council's corporate governance oversight of all University activities is of the highest standard and represents a best practice approach. A closing report documenting implementation of the report's recommendations is due to be submitted to Council at its first meeting in 2021.

Financial reporting

In accordance with Section 62(1) of the *Financial Accountability Act 2009*, the University is required to prepare annual financial statements. The financial statements are prepared on a calendar year basis and are audited by the Queensland Auditor-General in accordance with the *Auditor-General Act 2009*. Prepared in accordance with Australian Accounting Standards, all transactions of the entity are accounted for in the financial statements.

Remuneration

The Chancellor receives an honorarium of \$60,000 from the University. Other Council members and Committee members are not remunerated for their services. Staff members who serve as Council members are only remunerated for their substantive role within the University.

Council membership

Council has 18 members comprising official members, appointed members, elected members and additional members.

Position	Name	Meetings/sessions attendance
Chancellor, Chair of the University Council Official Member (Elected by Council) Current term: 01/06/18–31/05/22	Henry Smerdon AM	12 /12 Council meetings
Vice Chancellor Official Member	Professor Carolyn Evans	12 /12 Council meetings
Deputy Chancellor Governor in Council Member Current term: 31/10/17–20/10/21	Rachel Hunter	11/12 Council meetings
Governor in Council Member Current term: 31/10/17–20/10/21	Clinton Dines	11/12 Council meetings
Governor in Council Member Current term: 31/10/17–20/10/21	Amelia Evans	11/12 Council meetings
Governor in Council Member Current term: 31/10/17–20/10/21	Andrew Fraser	11/12 Council meetings
Governor in Council Member Current term: 31/10/17–20/10/21	Olivia Loadwick	11/12 Council meetings
Governor in Council Member Current term: 31/10/17–20/10/21	Ann Robilotta–Glenister OAM	7/12 Council meetings
Governor in Council Member Current term: 31/10/17–20/10/21	Rhonda White AO	5/12 Council meetings
Elected Undergraduate Student Member Current term: 28/10/19–27/10/21	Liam Baker	10/12 Council meetings
Elected Postgraduate Student Member Current term: 28/10/19–27/10/21	Srinath Chithravelu Poochan	8/12 Council meetings
Elected Academic Staff Member Term: 8/10/17–23/10/20 (resigned)	Professor Liz Jones	9/9 Council meetings
Elected Academic Staff Member Current term: 24/10/20–27/10/21	Professor Eleanor Milligan	3/3 Council meetings
Elected Academic Staff Member Term: 28/10/17–28/02/20 (resigned)	Professor Gary Rogers	1/1 Council meetings
Elected Academic Staff Member Current term: 29/02/20–27/10/21	Vallipuram Muthukkumarasamy	11/11 Council meetings
Elected General Staff Member Term: 28/10/17–27/10/21	Dr Naveen Sharma	12/12 Council meetings
Additional Member Current term: 01/01/20–31/12/22	Joshua Creamer	9/12 Council meetings
Additional Member Current term: 01/01/20–31/12/22	Jessica Rudd	11/12 Council meetings
Additional Member Current term: 01/01/20–31/12/20	Robert Borbidge AO	4/12 Council meetings
Additional Member Current term: 01/01/20–31/12/20	Craig Bassingthwaighe	9/12 Council meetings
No. scheduled meetings/sessions	7 ordinary meetings 5 special meetings 12 meetings in total	
Total out of pocket expenses	Nil	

Governance

Council sub-committees

The key committees that report directly to the Council are:

- Academic Committee, the senior body responsible for teaching and learning, and research policies. The membership is:

Chairperson	Professor Debra Henly, Senior Deputy Vice Chancellor (retired on 31 December, 2020)
Ex officio	Deputy Chair and Programs Committee Chairperson; Vice Chancellor; Deputy Vice Chancellors; Vice Presidents; Pro Vice Chancellors; Deans; Heads of School/Department; Chair, University Appeals Committee; Registrar, Student Life; University Librarian
Appointed by Council	Dr Naveen Sharma, Elected General Staff Member on Council
First Peoples' Student Representative	Vacant
Elected	12 academic staff members, at least two from each academic group; one elected higher degree by research student; one coursework postgraduate student; four undergraduate students, one from each academic group

- Audit Committee, responsible for assisting the University Council and the Vice Chancellor to discharge financial and performance management responsibilities required under the *Financial Accountability Act 2009*, *Financial and Performance Management Standard 2019* and other relevant legislation. The membership is:

Chairperson, appointed by Council	Mr Ian Rodin
Appointed by Council	Ms Amelia Evans; Ms Kim Challenor; Mr Simon Hancox; Mr Gareth Long (resigned effective 19 November 2020)

None of the Audit Committee members may be staff or students of the University.

- Finance, Resources and Risk Committee, responsible for advising Council on critical resource issues, including income projections, operating budget allocations, capital expenditure, financing strategies and risk management. The membership is:

Chairperson, appointed by Council	The Hon Andrew Fraser
Ex officio	Chancellor; Vice Chancellor; Deputy Chancellor (Vice Chairperson)
Appointed by Council	Ms Rhonda White AO; Associate Professor Vallipuram Muthukkumarasamy; Dr Naveen Sharma
Appointed by the Committee	Mr Steven Leigh; Mr Jonathan Ives

External committee members do not receive remuneration.

The Gold Coast Advisory Council was disestablished on 3 March 2020. The Chairperson up to 3 March 2020 was Dr John Kearney OAM.

Executive management

The Vice Chancellor and President is the Chief Executive Officer of the University and may exercise the powers and perform the functions conferred on the Vice Chancellor by the Act or another Act, or the Council.

As at 31 December 2020, the Vice Chancellor and President is supported by an executive to whom the University's organisational units report:

- Senior Deputy Vice Chancellor (retired on 31 December 2020)
- Deputy Vice Chancellor (Research)
- Chief Operating Officer
- Vice President (Industry and External Engagement)
- Chief Marketing Officer
- Pro Vice Chancellor (Arts, Education and Law)
- Pro Vice Chancellor (Business)
- Pro Vice Chancellor (Health)
- Pro Vice Chancellor (Sciences)
- Pro Vice Chancellor (Indigenous)
- Vice President (Global).

Vice Chancellor and President

Professor Carolyn Evans

BALLB (Hons) (Melb), DPhil (Oxon) FASSA

- Chief Executive Officer responsible to the Council for the University's strategic direction, performance and external affairs.

Senior Deputy Vice Chancellor

Professor Debra Henly (retired 31 December 2020)

B Sc (Hons), PhD

- Responsible executive for learning, teaching and the student experience; student retention, graduate outcomes and student employability; online education; the Academic Plan and academic profile; academic, strategic and operational planning for learning and teaching; strategic direction of the curriculum and academic programs; academic staffing; academic policies; quality standards; safe campuses agenda; Athena Swan; and leadership of the University's Women in Leadership program.

Deputy Vice Chancellor (Research)

Professor B. Mario Pinto

B Sc, PhD, FRSC

- Responsible executive for planning and policy in relation to research and research training and research ethics; research grants, contract research and consultancies; policies on, and commercialisation of, intellectual property; research strategy, priorities and initiatives, including Research Beacons; research engagement and partnerships; research funding and delivery, including research institutes; and research infrastructure.

Chief Operating Officer

Mr Peter Bryant

B Com

- Responsible executive for planning and directing the University's central administrative services, including information technology, human resources, finance, major campus development and facilities management, legal, governance and risk; and advising the Vice Chancellor on policy, strategy and tactics to support and enhance the University's mission.

Chief Marketing Officer

Mr Phillip Stork

BA (Griffith), GradCertBus (Creative Advertising) (QUT)

- Responsible for executive level leadership and management of the University's marketing and internal communications; student recruitment; events and protocols and government relations.

Vice President (Industry and External Engagement)

Dr Peter Binks

B Sc (UTas, Hons), DPhil (Oxon)

- Responsible executive for university partnerships and sponsorships; major corporate relationships for the University; Engagement Australia; and sports partnerships.

Pro Vice Chancellor (Arts, Education and Law)

Professor Scott Harrison

PhD, MEd, MMus, GradDipMus, BMus, LMUSA, LTCL

- Responsible for executive level leadership and management of the Arts, Education and Law Group; strategy planning for the Group; management of the Group; management of the Group budget and student load targets; and high level external representation of the University and Group nationally and internationally.

Pro Vice Chancellor (Business)

Professor David Grant

BA, MSc, PhD FASS

- Responsible for executive level leadership and management of the Business Group; strategy planning for the Group; management of the Group; management of the Group budget and student load targets; and high level external representation of the University and Group nationally and internationally.

Pro Vice Chancellor (Health)

Professor Sheena Reilly AM

PhD London, FASSA, FAAHMS, FRCSLT, FSPA

- Responsible for executive level leadership and management of the Health Group; strategy planning for the Group; management of the Group; management of the Group budget and student load targets; and high level external representation of the University and Group locally, nationally and internationally.

Pro Vice Chancellor (Sciences)

Professor Andrew Smith

B Sc (Hons) Biochemistry, AUS, PhD Biochemistry

- Responsible for executive level leadership and management of the Sciences Group; strategy planning for the Group; planning the long term direction and structure of the Sciences Group in both teaching and research, in conjunction with other Groups; leading planning processes for new initiatives in the Science, Engineering and Technology portfolios; management of the Group budget and student load target; and high level external representation of the University and Group nationally and internationally.

Governance

Pro Vice Chancellor (Indigenous)

Professor Cindy Shannon AM

BA (Economics and History), Grad Dip Ed, MBA, DrSocSc (Pol Sci), GAICD, FQAAS, (FQA)

- Responsible for executive level leadership, strategic planning and management of the Logan campus; the Office of Indigenous Community Engagement, Policy and Partnerships; Indigenous Research Unit and the GUMURRI student success unit.

Vice President (Global)

Professor Sarah Todd

B Com, Otago; BA Massey; MCom (Dist), Otago; PhD, Otago

- Responsible for executive level leadership, management and budgetary control of Griffith International, and the Tourism Confucius Institute; the University's Internationalisation Strategy; Griffith English Language Enhancement Strategy; Chairing the University's Internationalisation Advisory Committee and English Language Advisory Committee; and global institutional partnership, outbound student mobility, inbound international students and international business development.

Public sector ethics

Code of Conduct

The University's Code of Conduct forms part of the terms of employment for staff and sets out the expected standards of behaviour of staff, including Council and University Committee members. The Code of Conduct affirms the University's commitment to the ethical principles set out in the *Public Sector Ethics Act 1994*:

- integrity and impartiality
- promoting the public good
- commitment to the system of government
- accountability and transparency.

The Code is accessible to staff, students and the public via the University's website, together with related integrity policies of the University. The Code is referenced in position descriptions and offers of appointment. Advice about the contents of the Code is included in an online induction for new staff and incorporated into development and training programs, including the online fraud and corruption awareness course and online and in-person integrity training.

An independent whistleblower hotline for public interest disclosures was introduced in 2018 and resources and activities have been progressively implemented by the University to support staff in preventing, detecting and reporting integrity concerns. University-wide fraud and corruption training is required to be completed as part of a new staff members' induction and is also required to be completed by all staff annually thereafter.

Human rights

A key component of Griffith's values, and an initiative of the *Creating a future for all – Strategic Plan 2020–2025*, is to review and strengthen our policies on academic freedom and freedom of speech to ensure that those policies protect diverse viewpoints. In February 2020, the Council approved the Academic Freedom and Freedom of Speech Policy, which came into operation on 1 July 2020 following review and amendment of related Griffith policies to ensure alignment with the Policy.

The University's student and academic policies are currently being reviewed to ensure alignment with the *Human Rights Act 2019*. This work is being overseen by the Student and Academic Policy Standing Committee.

A human rights awareness training package was made available to all staff in 2020.

The university received five human rights complaints in 2020, four of which were unsubstantiated, and one which is currently under investigation.

Risk management and accountability

Risk management

The University recognises that strong risk culture and effective risk management are essential to achieving the University's strategy and are vital components of effective decision making. The Griffith University Enterprise Risk Management Policy (Policy) and the Enterprise Risk Management Framework (Framework) align with the principles set out in the universally accepted standards—ISO 31000: 2018 and 2017 COSO Integrating with Strategy and Performance. The Policy and Framework were reviewed and updated in 2020 as part of the continual improvement and maturity of risk management across the University.

The Framework lays the foundation for the University's approach to risk management and processes will continue to evolve and mature in support of the University's strategy and operational environment. The University has adopted the "three lines of defence" model. The Framework guides risk management processes including clarification of roles and responsibilities, requirements for the maintenance of risk registers and escalation paths for risk treatments. Risk reporting is undertaken at the earlier of a significant escalation in one or more key risk areas, or quarterly.

The University's Finance, Resources and Risk Committee maintains effective oversight of the risk management strategies while the Audit Committee provides advice in relation to the effectiveness of the risk management frameworks.

Insurance policies and strategies are in place to ensure University staff, students and property are appropriately covered. In conjunction with its insurers, the University ensures that appropriate steps are taken to mitigate risk. All incidents leading to potential claims are notified to insurers in a timely and efficient manner.

Audit Committee

The Audit Committee's primary role is to assist and support the Council and the Vice Chancellor to discharge the financial and performance management responsibilities required under the *Financial Accountability Act 2009*, *Financial and Performance Management Standard 2019* and other relevant legislation. The Committee covers all activities of the University and its controlled entities, excluding the academic activities and outcomes of teaching and research, unless the Vice Chancellor approves otherwise.

Throughout 2020 the Audit Committee observed the terms of its Constitution and had due regard to Queensland Treasury's *Audit Committee Guidelines*. The annual review of the Constitution was undertaken by the Committee in November with revisions recommended and subsequently approved by the Council in December 2020.

All five Audit Committee members, appointed by the Council, attended each of the four meetings held in 2020. Representatives of the Queensland Audit Office (QAO) were also in attendance at each of the four meetings, and the Queensland Auditor-General attended the August meeting.

In 2020, the following changes to Committee membership and composition occurred:

- Council approved re-appointment of members Ms Amelia Evans and Ms Kim Challenor for further three-year terms
- Mr Gareth Long resigned as a member following the November 2020 meeting with a replacement to fill the casual vacancy to be approved by Council in early 2021
- The Director, Audit, Risk and Compliance, Mr Dhanesh Raniga resigned, and the position was disestablished
- The General Counsel position was established and granted rights of audience and debate, and Mr Sam Adams was appointed to this position.

As outlined in the 2020 Audit Committee calendar, each meeting had a major focus:

Meeting	Major Focus
21 February 2020, Nathan campus	Review of draft 2019 financial statements; closed session with external auditors; COVID-19 update; cyber security.
13 May 2020, online	Vice Chancellor's annual presentation on strategic directions and an update on management of the COVID-19 crisis; annual update on the enterprise risk management framework and an interim report on the compliance framework.
26 August 2020, online	Review of external audit plan; Auditor-General of Queensland <i>Report on Education Sector Entities 2018-19</i> ; closed session discussion with Chief Operating Officer; annual cyber security update; annual review of Internal Audit Charter; annual self-review of Committee performance.
18 November 2020, Nathan campus	Review of 2021 Internal Audit Annual Plan; closed session with Internal Audit team; presentation on the Digital campus and online student experience; annual review of Audit Committee constitution; update on 2020 year-end and financial statements preparation.

Members of Council and the Finance, Resources and Risk Committee respectively were invited to attend the 21 February 2020 meeting to participate in the consideration of the annual financial statements and audit.

During 2020, the Committee performed the following key functions:

- **2019 Annual Financial Statements:** Reviewed and recommended the Statements to the Chancellor and the Vice Chancellor for signing. The 2019 Annual Financial Statements were subsequently certified by the QAO and tabled in parliament.
- **External audit:** The QAO are responsible for external audit. The Committee considered all QAO management letters including audit recommendations to ensure issues were responded to by management in an appropriate and timely manner; noted that the QAO 2019 closing report assessed financial statement preparation and internal controls as effective across all key processes with no deficiencies identified; and reviewed and confirmed the External Audit Plan prepared by the external auditors which had a major focus on the impact of COVID-19.

Governance

- **Internal audit:** Internal Audit is an independent function responsible to the University Council reporting through the Audit Committee. The Committee monitored internal audit activities throughout 2020 including the review and endorsement of the amended Internal Audit Charter, which was subsequently approved by the Vice Chancellor; the review and endorsement of the 2021 Internal Audit Plan, which was subsequently approved by the Vice Chancellor; assessment of audit report findings and responses from management; and monitoring the implementation of audit recommendations. The Committee met in closed session with Internal Audit to reaffirm the role of Internal Audit in challenging the adequacy of internal control and risk management in the University, ensuring that the Audit Committee was provided with adequate reporting on the University's risk and control culture, and ensuring effective management of high-risk recommendations and resolution within three months of the report.
- **Fraud and corruption:** Reviewed and discussed quarterly reports from management about the detection and management of instances of fraud and corrupt conduct; assessed the University's Integrity Program and controls to monitor compliance with the Code of Conduct; reviewed and discussed procedures for receiving employee complaints and concerns under the University Whistleblower program and the organisational culture surrounding integrity and disclosure.
- **Risk management frameworks:** Monitored and evaluated management's approach to maintaining a sound and effective control environment and the effectiveness of the risk management system throughout the year via external and internal audit activities and reporting functions; reports from University management at Committee meetings; quarterly risk reports; an annual meeting between the Chair and the Vice Chancellor; and quarterly meetings between the Chair and the Chief Operating Officer.
- **Compliance:** Reviewed the effectiveness of the University's compliance program and assessed the results of compliance monitoring.
- **Cyber security:** Monitored cyber security risks throughout 2020, with a focus on the governance and management of cyber security; strengthening of the University's cyber security resilience; and planning and controls to reduce and mitigate high risks.

All Audit Committee meeting minutes were provided to subsequent meetings of the Council. The Council member appointed to the Audit Committee also provides a verbal report at each Council meeting following an Audit Committee meeting. The Committee's 2020 Annual Report was considered by Council at its December 2020 meeting. The Report detailed the Committee's performance in relation to its functions, discussed the discharge of its responsibilities under its Constitution and reported on the findings of its annual self-evaluation process.

Internal audit

The role of the University's Internal Audit function is to provide an independent, objective assurance and consulting service that adds value and improves operations. The audit function achieves this through a systematic and disciplined approach to evaluating and improving risk management, control and governance processes.

The function operates under a Charter, that the Audit Committee reviews annually. It is approved by the Vice Chancellor and has regard to the Institute of Internal Auditors (IIA) International Professional Practices Framework and the Queensland Treasury Audit Committee Guidelines. Based on this review in 2020, it was noted that the IIA had introduced a new better practice template which was adopted by Griffith University's Internal Audit function. Major changes to the Charter include the addition of information relating to conflicts of interest, reporting arrangements regarding the separation of duties between the Chief Operating Officer and the Audit Committee in relation to governance of the Internal Audit function, and management and staff obligations in relation to internal audits undertaken in their business unit.

The Internal Audit function performs its activities in accordance with its responsibilities under the Charter. It follows the Internal Audit Plan, which is reviewed annually, endorsed by the Audit Committee and approved by the Vice Chancellor. The annual audit plan is developed based on discussion with University senior executive, governance committees and external and co-sourced auditors and a review of the University's key strategic and operational risks, higher education risk factors, specific management concerns, and other sources such as the Tertiary Education Quality and Standards Agency (TEQSA) Regulatory Risk Framework, and Crime and Corruption Commission (CCC) and QAO reports and plans.

Significant risks identified during audits and audit recommendations are notified to University management and the Audit Committee in a timely manner to enable management to take appropriate remedial action. Mitigating actions undertaken to address risks and internal audit recommendations are followed up monthly by Internal Audit to ensure timely implementation. Internal Audit completed 15 internal audits during 2020, the key themes include:

- **The impact of COVID-19 on University operations—**
The Annual Internal Audit Plan was reviewed continually throughout the year to ensure that Internal Audit topics identified at the start of the year remain relevant to the risk exposure of the University. This resulted in a number of topics that were on the Annual Internal Audit Plan also having an additional focus on the impact of COVID-19 and how the respective business units responded within their operations.

- **Regulatory compliance**—A number of reviews were undertaken in retail and childcare services operations to review compliance with key regulations including an assessment against the National Quality Standard for early childhood education. Further reviews undertaken include an organisation-wide assessment of adherence to the University's Conflicts of Interest Policy.
- **Student processes**—Reviews were undertaken on Domestic Admissions, the Grade Management System, Online Academic Assessments and International English Language Pathways to assess compliance with policy and processes were operating efficiently.
- **Financial Integrity**—As part of the University's Integrity Program, each year Internal Audit undertakes a number of unannounced reviews to assess key controls are operating as designed. For the 2020 financial year reviews were undertaken on Credit Cards, Expenditure Reimbursements and Procurement.

The function is independent of management and the external auditors and reports administratively to the General Counsel and functionally to the Vice Chancellor and Audit Committee.

Mr Dimitri Constantinous, Manager, Internal Audit holds appropriate qualifications as required by the *Financial Accountability Regulations 2009*, including Chartered Accountant and professional membership of the Institute of Internal Auditors and Institute of Chartered Accountants.

External scrutiny

The Queensland Audit Office undertakes an annual external audit of the University's financial statements. As at writing the annual report there were no outstanding external audit findings or recommendations. There were no significant findings or issues identified by any external reviewer about the University during 2020.

Information systems and recordkeeping

The University's information management policy suite was reviewed under a broader information governance and information management banner and released as a consultation draft in late 2020. This will replace the current Records Management Policy. The revised Information Management and Information Governance Framework and Information Management Policy provide a clear statement of information-related roles and responsibilities for assignment and communication in 2021.

A multi-year program of work was identified and mapped against the requirements of the Records Governance Policy. Major work completed in 2020 included:

- approval of standing disposal authorisations for nominated low-risk records.
- creation of an online app for easy searching of all relevant retention and disposal schedules, which includes Griffith-specific advice on how to manage records, a calculator to determine eligibility for disposal, and a digital disposal authorisation workflow capability.
- baseline reporting of relevant records activities against which regular reporting can occur to monitor maturity.
- development of Data Loss Prevention policies across our Microsoft Power Platform.

During 2020, the COVID-19 pandemic provided an opportunity to rapidly transition paper-based business practices to an online model. Information management requirements were embedded in:

- a digital mailroom capability with incoming physical mail now compliantly digitised and distributed electronically
- a new telehealth capability including digitally signed patient forms and retention of consultation recordings
- working from home advice and training provided to staff as they transitioned from an on-campus presence.

The University has a retention and disposal of University records program that enables compliance with retention and disposal schedules issued by Queensland State Archives. Griffith did not transfer records to Queensland State Archives in 2020.

Information and cyber security

Griffith University continues to apply a strategic focus to cyber security, particularly in relation to the protection of information, digital assets and the online protection of its staff, students and other related constituents. Griffith maintains a standards-based Information Security Management System (ISMS) which includes a governed program of continuous improvement activities to increase cyber resilience.

Multi-Factor Authentication (MFA) was successfully rolled out to staff and students this year. 60,000 staff and student credentials (Griffith username and password) are now protected by MFA—significantly enhancing the University's cybersecurity posture.

Although the University is consistently targeted by cyber-criminal activity, the key cyber defences have protected against these threats, with no serious breaches reported in 2020.

Governance

Human resources

Strategic workforce planning and performance

Workforce profile

The University employs 4,423 full-time equivalent staff. The retention rate for staff is 94% and the permanent separation rate is 20.1%.

Strategic workforce planning and strategies

Griffith University and the Innovative Research Universities network joined a workforce planning benchmarking and maturity exercise. The result of this project was the development and testing of a Strategic Workforce Planning toolkit to enable the creation of workforce plans that will guide future-focused and strategically aligned workforce decisions. A Strategic Workforce Planning process was piloted in the School of Human Services and Social Work, ahead of a planned and broader roll out across the University in 2021. The People and Wellbeing function was restructured to incorporate a dedicated strategic workforce planning function. The restructure of Human Resources and Safety also introduced a new structure, roles and approach to talent acquisition and recruitment practices.

Staff training and workforce development continued to be delivered throughout 2020 using remote-delivery channels in response to physical distancing requirements. Leadership development continued with the annual delivery of the foundational program “Managing at Griffith”, and the flagship “Managers as Coach” program. The Creativity, Innovation and Enterprising series continued this year providing training in contemporary work methods for customer-focussed solution design and problem solving, and methods for rapid collaboration and innovation, efficiency and impact. An expansion of staff development opportunities was enabled by LinkedIn Learning licences being made available to all staff and extended to Higher Degree Research (HDR) Candidates in the latter part of the year. These licences provided digital access to a content library of more than 10,000 courses, delivering 1338 hours of self-directed and curated professional development to staff. In addition, a range of programs, resources and supports were provided to assist all staff in responding to the challenges presented by COVID-19.

As part of the University’s response to managing the consequences of the COVID-19 pandemic, four bi-monthly pulse surveys were undertaken throughout the year with all staff invited to participate. The surveys helped guide organisational support and decision making by the University’s executive group and responses implemented organisationally. The University also committed to an employee engagement survey process and commenced the procurement of an organisational employee engagement survey platform and provider to deliver engagement surveys in 2021, 2022 and 2024. These will assist in informing development and improvement opportunities.

The future of work

The Creativity, Innovation and Enterprising series of seven professional development programs was remotely delivered twice throughout 2020 to academic and professional staff. This series was developed by a partnership between HR’s Learning and Development team and the Department of Business, Strategy and Innovation within the Griffith Business School, and delivered by academic subject matter experts. The series provided training to staff in contemporary work methods including Value Proposition Canvas, Problem Solving Canvas, Design Thinking, Agile, Lean Approaches, Business Model Canvas and Pitching. These programs focussed on the rapid discovery and development of ideas and solutions to enhance customer impact and organisational performance, whilst equipping staff with future of work skills.

In response to the COVID-19 pandemic, all learning and teaching activities were migrated to remote/digital delivery from March 2020, and all campuses underwent a soft lockdown from March 2020 to May 2020. A range of staff training and support programs were implemented to rapidly and safely build capability in remote working and to enable and support staff through these events. A comprehensive range of support programs, resources and advice was rapidly developed and deployed by the University’s learning and teaching support community and provided to all learning and teaching staff to enable the remote delivery and management of all courses and learning events and form students support.

Training and support were also provided for staff by Digital Solutions in using MS Teams for remote work, communication, collaboration and connection. The Working Anywhere, Anytime website was developed and deployed to deliver online courses and resources to support staff and leaders in adapting, supporting and leading flexible, resilient and remote working practices for individuals and teams. A comprehensive staff development and support program was delivered by People and Wellbeing in November and December to help academic and professional staff adapt and respond to the challenges presented by the COVID-19 pandemic and the recommendations made within the Roadmap to Sustainability report. This suite of remotely facilitated programs included building resilience, workload and time management practices, personal effectiveness strategies and leading during challenging times.

Employee performance management framework

In light of the impact of COVID-19 and operating environment throughout 2020, the formal Professional Staff Career Development (PSCD) and Academic Staff Career Development (ASCD) processes were deferred and replaced with informal performance and development conversations. The 2020 Academic Staff Promotion round was delayed, opening in September 2020 and closing in February 2021. The University continued with its approach to rewarding and recognising staff performance in the areas of learning and teaching, research, professional and support services and in the recognition of long-service. These recognition programs were modified in light of physical distancing requirements.

A number of new initiatives were developed and rolled out in 2020 to support staff mobility. Griffith Gigs, an online platform was developed and deployed in the first half of the year to facilitate the matching of under-utilised or available staff with available work opportunities when the workforce was initially disrupted due to COVID-19 lockdowns and physical distancing. This platform was refined and extended to enable a comprehensive redeployment process to support staff employment and mobility following the organisational restructure in the latter part of 2020.

Flexibility and wellbeing

COVID-19 provided the opportunity for Griffith to practise workplace flexibility as an important capability for business continuity and enabler of employee inclusion. The *Way We Work* initiative was launched reinforcing our values on workplace flexibility. Where staff were unable to perform their usual duties, they were mobilised to other employment via *Griffith Gigs*. Griffith continued to provide parenting facilities on each campus, including two new rooms on our Nathan Campus. An audit of our facilities commenced in 2020.

We developed *A Quick Guide to Inclusive Language & Accessible Content* in Griffith policy documents to maximise the inclusiveness of our policy documents.

Contributing to wellbeing via improved knowledge, skills and inclusion, Griffith has grown its networks including Griffith Allies (LGBTIQ+ inclusion) from 32 to 68 trained staff, First Peoples Staff Network and Healthy University Wellbeing Champions.

With physical distancing requirements arising from the COVID-19 pandemic disrupting usual orientation and induction activities, staff and managers continued to be supported by automated self-service induction tasks that guide all key induction activities for all new staff and their line managers throughout the first month of commencement. These tasks are tailored to both the University's professional and academic workforces.

Griffith recognises the importance of inclusion and particularly how this impacts on wellbeing, engagement and organisational performance. For the first time, Griffith was recognised nationally in two diversity and inclusion awards:

- LGBTIQ+ inclusion with a Bronze Tier status in the LGBTQ Inclusion Awards (Australian Workplace Equality Index (AWEI), Pride in Diversity). Griffith was one of the top three organisations recognised within the Bronze Tier.
- Women in Digital Awards 2020 *Diversity Employer of the Year* (*Enterprise*).

In recognition of the impacts of COVID-19, Griffith joined the *Australian Higher Education Joint Sector Position Statement*, committing to a series of actions to preserve gender equity.

Wellbeing was a significant priority for the University during COVID-19 and a range of initiatives were implemented to support the University community. The COVID-19 Staff Check-In Survey indicated that staff were consistently appreciative of the health and safety efforts undertaken to ensure safe and supportive workplaces both on campus and remotely.

Leadership and management development framework

The University's Senior Leadership Conference was held at the beginning of the year, involving 150 most senior executives and focusing on developing shared approaches to delivering Griffith's *Creating a future for all – Strategic Plan 2020–2025*.

The University continued to deliver the early career foundational leadership development program "Managing at Griffith" and the flagship leadership program, "Manager as Coach" in 2020 with both programs being successfully redesigned for remote delivery. An approach to developing the University's Leadership Capability and Development Framework commenced with the development of a draft high-level framework that defines leadership profiles, accountabilities and broad development requirements at all levels.

Government objectives for the community

Griffith University's activities align with the Queensland Government's *Unite and Recover – Queensland's Economic Recovery Plan* through:

- high-quality, student-focused learning and teaching that prepares work-ready graduates of influence in strong demand by employers across a comprehensive range of disciplines, professions and industries
- groundbreaking research that delivers social dividends and generates the knowledge needed to solve community problems
- community service through social inclusion and engagement programs, and innovative partnerships
- the provision of sporting and recreational facilities, galleries, musical and performing arts programs, and school outreach programs that foster community engagement, health and cultural richness
- pursuit of its sustainability agenda, in particular, the University's Net Zero Emissions Strategy which aligns with the State Government's own ambition to reduce emissions to 50% of 2020 levels by 2030, and net zero emissions by 2050.

Financial summary and statements

Financial summary

Highlights

- Net Operating Result loss \$5.1m, the first loss in the University's history.
- COVID impacted financial sustainability indicators in 2020 which included significant restructuring costs to deliver long term sustainability.
- Prudent operating expenditure measures, reduced planned capital spend and a recovery during the year in the value of invested funds contributed to continued liquidity and a robust balance sheet.
- Equity broadly consistent with prior year, with Net Result loss offset by gains in PPE and shareholdings.

Financial sustainability – Key Performance Indicators

The University monitors its financial sustainability through five Key Performance Indicators. The year on year performance against target is summarised in the table below.

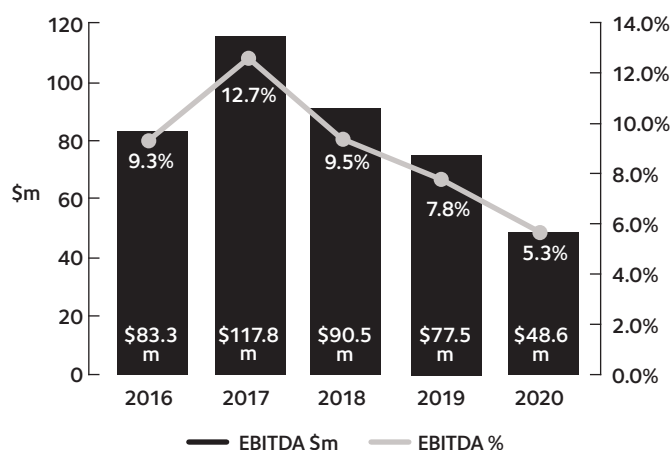
KPI	Year on Year Performance			2020 target met?
	2019	2020	Target	
Reported EBITDA Reported EBITDA/ Total Income (excluding investment income)	7.8 %	5.3 %	9.0 %	✗
Below target due to decline in income across a range of sources impacted by challenging COVID related economic conditions, health concerns and travel restrictions. Significant savings delivered across both salary and non-salary expenditure, however partially offset by major restructuring costs as part of a long term sustainability review.				
Liquidity Current assets/ Current liabilities	3.0	3.2	1.5	✓
Exceeded target. Positive operating cash generation and recovered market value of invested funds increased current assets.				
Asset sustainability Annual capital expenditure on PPE and intangible assets/ Depreciation & Amortisation	1.0	0.6	1.0	✗
Ratio impacted by reduced capital expenditure as a response to the challenging economic conditions in the year.				

KPI	Year on Year Performance			2020 target met?
	2019	2020	Target	
Debt to EBITDA Total borrowings/ Reported EBITDA	1.1	1.4	3.0	✓
Borrowings remain within cap multiple. No additional borrowings in 2020 and existing debt reduced by scheduled fixed repayments.				
Employee Cost Employee costs/total expenses (excluding depreciation, amortisation and borrowing costs)	64.6 %	66.9 %	66.0 %	✗
Significant restructuring costs offset savings delivered through reduced casual and sessional staff. Total expenses decreased year on year, with savings achieved in non-salary related spend also driving the ratio higher.				

Reported EBITDA

The five year trend in reported EBITDA is outlined in the table below:

5 Year Reported EBITDA



Continued erosion of EBITDA performance from 2017 as the unprecedented operating conditions due to the COVID pandemic, together with the continued cap on commonwealth funding, adversely impacted performance. Further analysis of income and expenditure is outlined below.

Financial summary

Income statement

Net result

Net Result from continuing operations in 2020 was a loss of \$5.1 million representing a decline of \$58.3 million compared to 2019 performance.

Total income declined by \$64.1 million being 6.2% down against the prior year. The COVID pandemic had an adverse impact on the University's income streams. Investment income fell by \$29.1 million compared to 2019, led by lower market values of invested funds and the near-zero interest rate environment. Reduced on-campus activity resulted in an \$8.1 million fall in other income, together with lower contract research and consultancy activity leading to a \$7.0 million decline in related revenue recognition. International travel restrictions led to a fall in overseas student income of more than \$20 million, taking into account additional scholarships to support enrollment, with significant market challenges remaining.

In response to the decline in revenue, the University implemented a range of operating cost-saving initiatives which contributed to a \$5.8 million reduction in total expenses compared to the prior year. These measures aimed to address the immediate impact of the fall in revenue, while a longer-term financially sustainable response was developed. No salary increases were awarded to all senior staff, with the executives also contributing 20% of salary to student bursaries for six months. These savings were partially offset by additional employee expenses of \$32.4 million due to restructuring costs as the University focussed on delivering long term financial sustainability.

Non-salary expenditure was also subject to stringent cost control measures, leading to a \$23.0 million reduction compared to 2019. Notably the decline in non-salary expenditure (excluding depreciation and borrowing costs) outpaced the annual decline in income, being 7.1% compared to 6.2%.

Total Comprehensive Income

Total comprehensive income was \$7.2 million (2019: \$115.3 million), due to gains on equity instruments and PPE revaluations as follows:

	2020 \$m	2019 \$m	Diff \$m	Ref
Net result	(5.1)	53.2	(58.3)	
Gain on equity instruments – OCI	9.7	17.5	(7.8)	(i)
Gain on PPE revaluation	2.6	44.6	(42.0)	(ii)
Total comprehensive income	7.2	115.3	(108.1)	

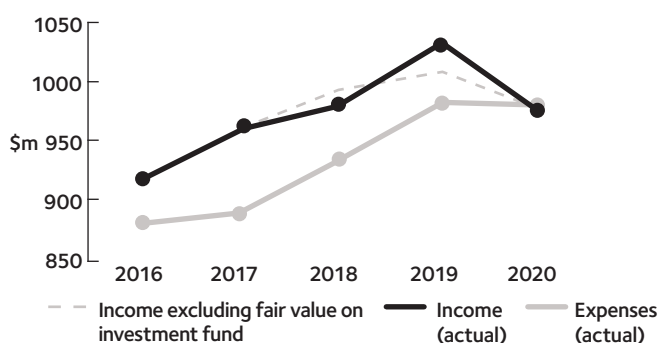
(i) Upward fair value movement of holding in Education Australia.

(ii) Gain relates to land, buildings and infrastructure following a desktop valuation.

Five year overview

For comparative purposes, a five-year overview of total income and expenses is illustrated below. This includes the impact of unrealised gains and losses relating to investment funds accounted for through income:

5 Year Income and Expenses



On a statutory reporting basis, total income decreased by 6.2% in 2020. However, adjusting for the fluctuating impact of fair values on investment funds accounted for through income, the reduction was 4.0%. This is in line with the expenditure savings delivered in the year when adjusted for the restructuring costs, with comparable expenditure decreasing by 3.8%.

Financial position

Prudent financial management and a scaleback of planned capital expenditure as a financial sustainability response to the impact of COVID resulted in positive cash generation and a continued robust balance sheet.

Net assets remained broadly consistent with the prior year, increasing by \$7.3 million to \$2,229.3 million. Current assets remained broadly consistent, as a steep devaluation of invested funds recovered to end the year in line with the previous year's closing value. The non-current asset position improved in part due to an increased value in shareholdings and a marginal uplift in Property, Plant and Equipment values following a desktop valuation review.

Borrowings decreased in line with scheduled repayments with no additional debt taken during the year. Employee leave provisions increased by 3.2% or \$3.4 million to \$110.8 million at 31 December 2020.

Future direction

The COVID pandemic presented significant challenges in 2020. The University responded with a range of short-term expenditure measures to limit immediate financial impact while a longer-term sustainability program (Roadmap to Sustainability) could begin.

Border closures and challenging international market conditions are expected to continue adversely impacting overseas student revenue in the medium term, further exacerbating the continued impact of a restrained domestic funding environment. The University's significant strategic capital program is being scaled to respond appropriately, together with embedding recent organisational changes to deliver a financially sustainable future.

Financial statements

for the year ended 31 December 2020

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Financial statements

for the year ended 31 December 2020

Statement of Comprehensive Income for the year ended 31 December 2020

	Notes	2020	2019
		\$'000	Restated* \$'000
Revenue and income from continuing operations			
Australian Government financial assistance			
Australian Government grants	2.1	356,541	360,905
HELP – Australian Government payments	2.1	251,223	249,705
State and Local Government financial assistance	2.2	7,947	7,552
HECS-HELP – Student payments		15,029	14,997
Fees and charges	2.3	239,374	255,913
Investment income	3	16,291	45,396
Royalties, trademarks and licences		105	17
Consultancy and contracts	2.4	44,346	51,392
Other income and revenue	2.5	36,907	45,951
Total income from continuing operations		967,763	1,031,828
Expenses from continuing operations			
Employee related expenses	4	604,396	587,515
Depreciation and amortisation	9,10	67,230	66,568
Repairs and maintenance		18,165	22,580
Borrowing costs		2,680	3,066
Net (gains)/losses on disposal of assets		(90)	32
Share of loss on investments accounted for using the equity method		268	268
Other expenses	5	280,171	298,586
Total expenses from continuing operations		972,820	978,615
Net result before income tax		(5,057)	53,213
Income tax expense		-	-
Net result from continuing operations		(5,057)	53,213
Net result after income tax for the period		(5,057)	53,213
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gain on equity instruments designated at fair value through other comprehensive income, net of tax	16	9,722	17,549
Gain on revaluation of property, plant and equipment, net of tax	9	2,581	44,617
Total comprehensive income attributable to the University		7,246	115,379

Reconciliation of net result after income tax to EBITDA

Net result after income tax for the period	(5,057)	53,213
Deduct: Investment income	(16,291)	(45,396)
Add: Depreciation and amortisation	67,230	66,568
Add: Borrowing costs	2,680	3,066
Earnings Before Interest, Taxes, Depreciation and Amortisation	48,562	77,451

* The University has restated Other income and revenue and Depreciation and amortisation upon implementation of AASB1059. For further information see note 1(h).

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Financial statements

for the year ended 31 December 2020

Statement of Financial Position as at 31 December 2020

	Notes	2020	2019
		\$'000	Restated* \$'000
Assets			
Current assets			
Cash and cash equivalents	6	396,204	386,349
Receivables	7	24,379	24,814
Contract assets	7	4,429	12,720
Inventories		2,076	2,149
Other financial assets	8	249,697	245,288
Other non-financial assets	11	25,880	29,498
Total current assets		702,665	700,818
Non-current assets			
Property, plant and equipment	9	1,770,992	1,792,231
Intangible assets and premium on leased property	10	19,197	22,411
Contract assets	7	169	-
Other financial assets	8	64,354	54,892
Total non-current assets		1,854,712	1,869,534
Total assets		2,557,377	2,570,352
Liabilities			
Current liabilities			
Trade and other payables	12	26,849	35,435
Contract liabilities	12	73,913	75,817
Borrowings	13	12,060	11,661
Provisions	14	92,020	89,561
Other liabilities	15	13,719	19,116
Total current liabilities		218,561	231,590
Non-current liabilities			
Borrowings	13	57,992	70,052
Provisions	14	18,785	17,846
Contract liabilities	12	12,558	7,667
Other liabilities	15	20,182	21,144
Total non-current liabilities		109,517	116,709
Total liabilities		328,078	348,299
Net assets		2,229,299	2,222,053
Equity			
Reserves	16	932,507	920,204
Retained earnings	16	1,296,792	1,301,849
Total equity		2,229,299	2,222,053

* The University has restated Property, plant and equipment, Other liabilities and Retained earnings upon implementation of AASB1059. For further information, see note 1(h).

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

Financial statements

for the year ended 31 December 2020

Statement of Changes in Equity for the year ended 31 December 2020

	Notes	Reserves \$'000	Retained Earnings \$'000	Total \$'000
Balance at 1 January 2019		858,038	1,283,894	2,141,932
Retrospective changes upon adoption of AASB15*		-	(47,752)	(47,752)
Retrospective changes upon adoption of AASB1059	1(h)	-	12,494	12,494
Balance as restated		858,038	1,248,636	2,106,674
Net result		-	53,213	53,213
Gain on revaluation of property, plant and equipment		44,617	-	44,617
Gain on revaluation of financial assets at fair value through other comprehensive income		17,549	-	17,549
Balance at 31 December 2019	16	920,204	1,301,849	2,222,053
Balance at 1 January 2020		920,204	1,301,849	2,222,053
Net result		-	(5,057)	(5,057)
Gain on revaluation of property, plant and equipment		2,581	-	2,581
Gain on revaluation of financial assets at fair value through other comprehensive income		9,722	-	9,722
Balance at 31 December 2020	16	932,507	1,296,792	2,229,299

* The retrospective change upon adoption of AASB15 relates to a restatement applied in 2019.

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

Financial statements

for the year ended 31 December 2020

Statement of Cash Flows for the year ended 31 December 2020

	Notes	2020 \$'000	2019 \$'000
Cash flows from operating activities			
Australian Government grants		617,170	610,459
OS-HELP (net)	27.6	6,003	88
State Government grants		7,628	7,631
Local Government grants received		443	1,183
HECS-HELP – Student payments		15,029	14,480
Receipts from student fees and other customers		294,466	355,531
Dividends received		4,470	2,739
Interest received		4,940	9,971
GST recovered		9,966	14,309
Payments to suppliers and employees (inclusive of GST)		(897,631)	(923,216)
Interest and other costs of finance		(2,697)	(3,083)
Net cash provided by operating activities	24	59,787	90,092
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		684	656
Payments for property, plant and equipment and intangible assets		(37,598)	(68,373)
Proceeds from sale of financial assets		-	1,165
Payments for financial assets		-	(42)
Net cash used in investing activities		(36,914)	(66,594)
Cash flows from financing activities			
Repayment of borrowings		(11,661)	(11,275)
Net cash used in financing activities		(11,661)	(11,275)
Net increase in cash and cash equivalents		11,212	12,223
Cash and cash equivalents at the beginning of the financial year		386,349	373,841
Effects of exchange rate changes on cash and cash equivalents		(1,357)	285
Cash and cash equivalents at the end of the financial year	6	396,204	386,349

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

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

1. Summary of significant accounting policies

Keeping it simple ...

Notes to the financial statements provide information required by accounting standards to explain a particular feature or aspect of the financial statements. The notes also provide further explanation and disclosure to assist readers' understanding of the financial statements. This section sets out the University's accounting policies that relate to the financial statements as a whole. Where an accounting policy is specific to a particular note, that policy is described in the note to which it relates.

Griffith University is constituted under the *Griffith University Act 1998* (Qld) and is a statutory body within the meaning given in the *Financial Accountability Act 2009* (Qld). The principal address of Griffith University is Parklands Drive, Southport, Queensland, 4222.

The financial statements are parent entity financial statements consisting of Griffith University only. Consolidated financial statements have not been prepared as the two subsidiaries' (Griffith Innovation Centre and International WaterCentre Pty Ltd) financial statements are not considered material. The parent and ultimate parent entity is Griffith University. The presentation currency is Australian Dollars.

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

(a) Financial Impact – COVID-19

The coronavirus (COVID-19) pandemic developed rapidly during 2020, presenting significant challenges to the University's operating environment. The University embarked on a major program during the period to review its operations to deliver long term financial sustainability. An outcome of this review was a restructuring of the workforce which resulted in payments of \$40.2m (comprising \$32.4m per note 4 and \$7.8m per note 14). Further cost control measures were undertaken in the year, including reduced non-salary operating expenditure, delaying or rescaling planned major capital investment, pay freezes for senior staff and senior executive staff donating a portion of their salary for six months.

Border closures and challenging international market conditions are expected to continue to adversely impact overseas student revenue in the medium term. Domestic student income was largely in line with 2019, following the capping of CGS income in 2017. Overseas student revenue, including the impact of additional scholarships provided by the University, reported a decrease of \$19.9m being a decline of greater than 11 percent from 2019. These scholarships helped ensure the retention of as many commencing and continuing international students as possible (refer to note 2.3 for fee paying overseas student income and note 5 which includes the significant increase in scholarships). The University also supported student bursaries by an additional \$5.6m to assist in alleviating student hardship. Investment income, including net gains arising on financial assets designated at fair value through profit or loss, was significantly lower than 2019, decreasing by \$29.1m.

(b) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of Griffith University. They have been prepared on an accrual basis, except for the Statement of Cash Flows, which is prepared on a cash basis, and comply with Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Griffith University applies Tier 1 reporting requirements.

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

- *Higher Education Support Act 2003* (Cth) (Financial Statement Guidelines)
- *Financial and Performance Management Standard 2019* (Qld)
- *Australian Charities and Not-for-profits Commission Act 2012*

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

(i) Date of authorisation for issue

The financial statements were authorised for issue by Griffith University at the date of signing the Griffith University Certificate.

(ii) Historical cost convention

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

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

1. Summary of significant accounting policies (continued)

(b) Basis of preparation (continued)

(iii) Critical accounting estimates

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

University management has made no judgement in the process of applying accounting policies that would have a significant impact on the amounts disclosed in the financial report, other than the normal operational judgement affecting receivables, contract assets, contract liabilities, depreciation, impairment, revaluation of assets and calculation of employee benefits.

(c) Comparative amounts

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

(d) Rounding of amounts

Amounts in the financial report are rounded to the nearest thousand dollars.

(e) Taxation

The activities of the University are exempt from Commonwealth taxation under the provisions of Division 50 of the *Income Tax Assessment Act 1997 (ITAA)* except for Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). State taxes are payable where applicable, e.g. Payroll Tax.

In relation to any foreign operations, the University is subject to tax under the Tax Acts applicable in the relevant countries. Tax in respect of these operations is brought to account in the year it is incurred.

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are recorded at the GST inclusive amount. The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included with other receivables or payables in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from financing or investing activities, which are recoverable from, or payable to, the taxation authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(g) New Accounting Standards and Interpretations

The following standards and amendments have been issued but are not mandatory for 31 December 2020 reporting periods. The University has elected not to early adopt these standards and amendments. The University's assessment of the impact of these new amendments is deemed immaterial.

Standard/Amendment		Application date
AASB2020-1 and AASB2020-6	Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current and Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date	1 January 2023
AASB2020-3	Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments	1 January 2022
AASB2020-4	Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions	1 January 2021
AASB2020-8	Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform	1 January 2022
AASB2017-5	Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB10 and AASB128	1 January 2022

(h) Initial application of Australian Accounting Standards

Keeping it simple ...

New and revised accounting standards were issued by the Australian Accounting Standards Board during the year. The University considers and adopts new standards, amendments to standards and interpretations when mandatory or relevant to better understand the financial performance or position. This section describes standards which have been adopted during the year.

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

1. Summary of significant accounting policies (continued)

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

AASB1059 Service Concession Arrangements: Grantors

This standard has an application date of 1 January 2020 and prescribes the accounting treatment for arrangements from the grantor's perspective, requiring recognition of an asset based on certain criteria being met. In 2006, Griffith University entered into a Student Accommodation Agreement with Campus Living Accommodation Company Limited to build and operate student accommodation at its cost on University land leased to Campus Living Funds Management Limited. The purpose of this arrangement was to facilitate the provision of student accommodation on the Gold Coast campus without any investment or financial operating risk to the University. The University has priority rights for its students to occupy the accommodation but has no obligation to guarantee any level of usage. The expiry date of both the Student Accommodation Agreement and the land lease is 31 December 2042. The student accommodation will transfer to University ownership at the end of the lease period at no cost to the University. Based on the University's assessment, the arrangement with Campus Living Funds Management Limited falls in the scope of AASB1059. In return, the operator is compensated by collecting payments from the residents of the accommodation.

(i) Impact on the statement of financial position

On initial application of AASB1059, the University has recognised a service concession asset of \$35.6m, grant of right to the operator liability of \$23.1m and an adjustment to opening retained earnings at 1 January 2019 of \$12.5m. Services concession assets are included in the line item Property, plant and equipment in note 9 and the Grant of right to the operator liability is included in the line item Other liabilities in note 15.

As at 1 January 2019

	Ref Adjustment	Amounts prepared under AASB1059 \$'000	Previous AAS \$'000	Increase/ Decrease \$'000
Assets				
Non-current assets				
Service concession assets	9	35,560	-	35,560
Total assets		2,445,447	2,409,887	35,560
Liabilities				
Current liabilities				
Grant of right to the operator liability	15	961	-	961
Non-current liabilities				
Grant of right to the operator liability	15	22,105	-	22,105
Total liabilities		291,021	267,955	23,066
Equity				
Reserves	16	858,038	858,038	-
Retained earnings	16	1,248,636	1,236,142	12,494
Total equity		2,106,674	2,094,180	12,494

As at 31 December 2019

	Ref Adjustment	Amounts prepared under AASB1059 \$'000	Previous AAS \$'000	Increase/ Decrease \$'000
Assets				
Non-current assets				
Service concession assets	9	35,610	-	35,610
Total assets		2,570,352	2,534,742	35,610
Liabilities				
Current liabilities				
Grant of right to the operator liability	15	961	-	961
Non-current liabilities				
Grant of right to the operator liability	15	21,144	-	21,144
Total liabilities		348,299	326,194	22,105
Equity				
Reserves	16	920,204	919,631	573
Retained earnings	16	1,301,849	1,288,917	12,932
Total equity		2,222,053	2,208,548	13,505

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

1. Summary of significant accounting policies (continued)

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

(i) Impact on the statement of financial position (continued)

As at 31 December 2020

	Ref Adjustment	Amounts prepared under		
		AASB1059	Previous AAS	Increase/ Decrease
		\$'000	\$'000	\$'000
Assets				
Non-current assets				
Service concession assets	9	35,301	-	35,301
Total assets		2,557,377	2,522,076	35,301
Liabilities				
Current liabilities				
Grant of right to the operator liability	15	961	-	961
Non-current liabilities				
Grant of right to the operator liability	15	20,182	-	20,182
Total liabilities		328,078	306,935	21,143
Equity				
Reserves	16	932,507	931,712	795
Retained earnings	16	1,296,792	1,283,430	13,363
Total equity		2,229,299	2,215,141	14,158

(ii) Impact on the income statement

For the period ended 31 December 2019, the net result from continuing operations increased by \$0.4m and total comprehensive income attributable to the University increased by \$1.0m. For the period ended 31 December 2020, the net result from continuing operations increased by \$0.4m and total comprehensive income attributable to the University increased by \$0.7m.

For year ended 31 December 2019

	Ref Adjustment	Amounts prepared under		
		AASB1059	Previous AAS	Increase/ Decrease
		\$'000	\$'000	\$'000
Other income and revenue	2.5	45,951	44,990	961
Depreciation and amortisation	9,10	66,568	66,045	523
Net result from continuing operations		53,213	52,775	438
Total comprehensive income attributable to the University		115,379	114,368	1,011

For year ended 31 December 2020

	Ref Adjustment	Amounts prepared under		
		AASB1059	Previous AAS	Increase/ Decrease
		\$'000	\$'000	\$'000
Other income and revenue	2.5	36,907	35,946	961
Depreciation and amortisation	9,10	67,230	66,699	531
Net result from continuing operations		(5,057)	(5,487)	430
Total comprehensive income attributable to the University		7,246	6,594	652

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

2. Revenue and Income

Keeping it simple ...

This section provides a detailed breakdown of the University's various key revenue sources, providing further detail in relation to particular grants or types of income.

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

	Notes	2020 \$'000	2019 \$'000
(a) Commonwealth Grant Scheme and Other Grants			
Commonwealth Grant Scheme ^{#1}		281,395	279,823
Promotion of Excellence in Learning and Teaching		(7)	-
Higher Education Participation and Partnership Program		5,171	4,927
Disability Performance Funding ^{#2}		481	527
Indigenous Student Success Program ^{#3}		3,563	3,480
Total Commonwealth Grant Scheme and Other Grants	27.1	<u>290,603</u>	<u>288,757</u>
(b) Higher Education Loan Programs			
HECS-HELP		207,480	209,563
FEE-HELP		38,976	35,215
SA-HELP		4,767	4,927
Total Higher Education Loan Programs	27.2	<u>251,223</u>	<u>249,705</u>
(c) Education Research			
Research Training Program		24,663	23,906
Research Support Program		16,764	17,194
Total Education Research Grants	27.3	<u>41,427</u>	<u>41,100</u>
(d) Australian Research Council			
Discovery		6,865	10,635
Linkages		2,976	3,232
Total ARC	27.5	<u>9,841</u>	<u>13,867</u>
(e) Other Australian Government financial assistance			
Non-capital			
National Health and Medical Research Council		5,343	6,188
Department of Health		4,400	4,653
Australian Centre for International Agricultural Research		1,461	919
Department of Foreign Affairs and Trade		672	2,925
Department of Industry, Science, Energy and Resources		1,491	1,500
Other		1,303	996
Total other Australian Government financial assistance		<u>14,670</u>	<u>17,181</u>
Total Australian Government financial assistance		<u>607,764</u>	<u>610,610</u>

^{#1} Includes the basic CGS grant amount, Regional Loading, Enabling Loading, Medical Student Loading, Allocated Places and Non Designated Courses.

^{#2} Disability Performance Funding includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education and Training.

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

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

		2020	2019
	Note	\$'000	Restated \$'000
2.2 State and Local Government financial assistance			
Non-capital			
Operating financial assistance		2,957	2,953
Research funds		4,990	4,599
Total State and Local Government financial assistance		7,947	7,552
2.3 Fees and charges			
Course fees and charges			
Fee-paying onshore overseas students	1 (a)	186,782	190,134
Fee-paying offshore overseas students	1 (a)	2,789	3,757
Continuing education		12,330	11,949
Fee-paying domestic postgraduate students		8,889	8,062
Fee-paying domestic undergraduate students		(31)	143
Fee-paying domestic non-award students		913	945
Other domestic course fees and charges		11,750	14,530
Total course fees and charges		223,422	229,520
Other non-course fees and charges			
Community services fees		3,110	4,494
Conferences and seminars		260	3,554
Parking fees and fines		3,061	4,507
Enrolment / reinstatement fees		599	1,137
Student accommodation		4,998	7,365
Student Services and Amenities Fees direct from students		3,208	3,468
Other fees and charges		716	1,868
Total other non-course fees and charges		15,952	26,393
Total fees and charges		239,374	255,913
2.4 Consultancy and contracts			
Consultancy		27,792	29,121
Contract research		16,554	22,271
Total consultancy and contracts		44,346	51,392
2.5 Other income and revenue			
Donations and bequests		14,423	11,767
Scholarships and prizes		4,364	5,403
Sale of goods		6,638	14,184
Commercial rent		921	2,090
Recovery of expenditure		6,746	7,034
Non-government grants		685	844
Commission received		1,163	1,304
Other revenue		1,967	3,325
Total other income and revenue		36,907	45,951

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

Note 2.6 Revenue and income from continuing operations

Basis for disaggregation

Revenue streams disclosed below are considered to be different in nature, amount, timing and uncertainty.

Source of funding: The University receives funds from the Australian Government as well as the State and Local Government to assist with education programs across a wide range of disciplines, and at different education qualification levels. Apart from funds received from Government, the University also receives funds and fees from private organisations or individuals that are used for the different programs led by the University or correspond to the education and research services provided by the University.

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

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

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

Note 2.6 Revenue and income from continuing operations (continued)

a) Disaggregation

For the period ended 31 December 2020, the University derives revenue and income from:

Notes	Source of income						Subtotal (Revenue from contracts with customers) AASB15 \$'000	Subtotal (Income of not-for-profit entities) AASB1058 \$'000	Total Revenue and Income \$'000
	Course fees and charges (AASB15) \$'000	Research goods and services (AASB15) \$'000	Non-course fees and charges (AASB15) \$'000	Other (AASB15) \$'000	Research income (AASB1058) \$'000	Other (AASB1058) \$'000			
2.1 Australian Government financial assistance, including HELP	532,619	9,841	-	23,877	41,427	-	566,337	41,427	607,764
2.2 State and Local Government financial assistance	-	4,640	-	2,957	350	-	7,597	350	7,947
2.3 Fees and charges	223,422	-	15,952	-	-	-	239,374	-	239,374
2.4 Consultancy and contracts	-	16,276	-	27,792	278	-	44,068	278	44,346
2.5 Donations and bequests	-	-	-	-	-	14,423	-	14,423	14,423
2.5 Other revenue	-	-	-	22,484	-	-	22,484	-	22,484
Total revenue and income	756,041	30,757	15,952	77,110	42,055	14,423	879,860	56,478	936,338

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

Note 2.6 Revenue and income from continuing operations (continued)

a) Disaggregation (continued)

For the period ended 31 December 2019 (restated), the University derives revenue and income from:

Notes	Source of Income						Subtotal (Revenue from contracts with customers) AASB15 \$'000	Subtotal (Income of not-for-profit entities) AASB1058 \$'000	Total Revenue and Income \$'000
	Course fees and charges (AASB15) \$'000	Research goods and services (AASB15) \$'000	Non-course fees and charges (AASB15) \$'000	Other (AASB15) \$'000	Research income (AASB1058) \$'000	Other (AASB1058) \$'000			
2.1 Australian Government financial assistance, including HELP	529,528	13,867	-	26,115	41,100	-	569,510	41,100	610,610
2.2 State and Local Government financial assistance	-	4,319	-	2,953	280	-	7,272	280	7,552
2.3 Fees and charges	229,520	-	26,393	-	-	-	255,913	-	255,913
2.4 Consultancy and contracts	-	19,281	-	29,121	2,990	-	48,402	2,990	51,392
2.5 Donations and bequests	-	-	-	-	-	11,767	34,184	11,767	11,767
2.5 Other revenue	-	-	-	34,184	-	-	-	-	34,184
Total revenue and income	759,048	37,467	26,393	92,373	44,370	11,767	915,281	56,137	971,418

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

Note 2.6 Revenue and income from continuing operations (continued)

b) Accounting policies and significant accounting judgements and estimates

The University's revenue recognition on significant revenue streams is detailed below:

- **Course fees and charges**

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

The revenue is recognised over time as and when the course is delivered to students over the academic period according to AASB15.

When the courses or trainings have been paid in advance by students or the University has received the government funding in advance (e.g. before starting the academic period) the University recognises a contract liability until the services are delivered.

The University does not have obligations to return or refund once census date of each academic period is passed.

There is no significant financing component, as the period from when the student pays, and the service is provided is less than 12 months and the consideration is not variable.

- **Research**

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction. Management have judged that performance obligations are satisfied as performed and access to research findings is available to granting bodies, and this is consistent with expenses incurred.

The following specific research revenue recognition criteria have been applied:

- Funding received from the Australian Research Council ("ARC"): There is an enforceable contract by provisions in the ARC funding agreement and corresponding legislation; and there are sufficiently specific performance obligations in the promise of research activities in the form of the 'mature research plan' which is contained within the proposal for the grant. It is within the scope of AASB15 and revenue is recognised over time when the service is provided over the period. The only exception is ARC funded assets including Linkage Infrastructure, Equipment and Facilities. These contracts meet the criteria of AASB1058 and revenue is recognised at a point in time as they are treated as transfers to enable an entity to acquire or construct a recognisable non-financial asset to be controlled by the entity.
- Funding received from the National Health and Medical Research Council ("NHMRC"): There is an enforceable contract by provision in the NHMRC funding agreement and corresponding legislation. There are sufficiently specific performance obligations in the promise to undertake research activities as presented in the grant proposal in the form of research services provided to the NHMRC. It is within the scope of AASB15 and revenue is recognised over time when the service is provided over the period.
- Funding received from the Department of Education, Skills and Employment – Research Block Grant ("RBG"): The University received funding in relation to the Research Training Program ("RTP") and Research Support Program ("RSP") – There are no identified sufficiently specific performance obligations and other related amounts. They are out of scope of AASB15. The income will be recognised according to AASB1058 immediately when the University has the contractual right to receive the grant.
- Funding received from non-government entities: Each research project is reviewed individually with regard to the enforceability and sufficiently specific performance obligations criteria to determine whether AASB15 or AASB1058 applies.

- **Non-course fees and charges**

Non-course fees and charges revenue relates to student services and amenities fees, parking fees, community service fees, conferences and seminars, enrolment / reinstatement fees and student accommodation fees.

The following specific non-course fees and charges revenue recognition criteria have been applied:

- Student services and amenities fees: There is an enforceable contract by the provisions in the Student Services and Amenities Act and by the agreement between the University and student to provide services and amenities which form part of the University experience. There are sufficiently specific performance obligations in the promise of providing certain services and amenities to the students who are enrolled. It is within the scope of AASB15.

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for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

Note 2.6 Revenue and Income from continuing operations (continued)

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

• Non-course fees and charges (continued)

- Student accommodation: There is an enforceable contract by the agreement between the University and student to provide accommodation facilities. Performance obligations are sufficiently specific according to the agreement. It is within the scope of AASB15.
- All other fees and charges: Most of them are enforceable and contain sufficiently specific performance obligations. They are within the scope of AASB15.

Revenue is recognised:

- Over time as and when the service is provided over the period; or
- At a point in time when the service is within the scope of AASB15 and is not provided over the period.

• Other

Other revenue that is within the scope of AASB15 mainly relates to sales of goods, recovery of expenditure, commission received, non-government grants, and other revenue.

The following specific other revenue recognition criteria have been applied:

- Donations and bequests: If donations and bequests are mere gifts and create no material obligation, then sufficiently specific performance obligation criteria cannot be identified. It is out of scope of AASB15. Revenue is recognised according to AASB1058. If donations and bequests are not mere gifts and a material benefit is provided to the donor in return for the contribution made, then enforceability and sufficiently specific performance obligation criteria are assessed to determine whether AASB15 or AASB1058 applies.
- Other revenue: Most of these are enforceable and contain sufficiently specific performance obligations. They are within the scope of AASB15.

Revenue is recognised:

- Over time as and when the service is provided over the period; or
- At a point in time when the service is within the scope of AASB15 and is not provided over the period; or
- At a point in time when the service is within the scope of AASB1058.

c) Unsatisfied performance obligations

Remaining performance obligations represent services the University has promised to provide to customers under various agreements which are satisfied as the goods or services are provided over the contract term. In determining the transaction price allocated to the remaining performance obligations in the University's contracts with customers, the University has not included the effects of the time value of money, non-cash consideration, if any, or if the performance obligation is part of a contract that has an original expected duration of one year or less. Further, the amounts disclosed below do not include variable consideration which has been constrained.

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

	Within 1 year	From 1 to 5 years	After 5 years	Total
	\$'000	\$'000	\$'000	\$'000
Course fees and charges	32,824	-	-	32,824
Research goods and services	19,564	6,560	-	26,124
Other	21,527	5,996	-	27,523

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for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

	2020 \$'000	2019 \$'000
3. Investment income		
Interest		
Bank deposits	5,342	9,229
Dividends		
Equity instruments designated at fair value through Other Comprehensive Income	5,562	630
Total investment revenue	10,904	9,859
Other investment gains and losses:		
Investment fund distributions	3,337	10,714
Net gain arising on financial assets designated at fair value through profit or loss	2,050	24,823
Total other investment gain	5,387	35,537
Total investment income	16,291	45,396

Interest revenue is recognised as it is earned. Dividend revenue is recognised when: (a) the University's right to receive the payment is established, which is generally when the dividend is approved; (b) it is probable that the economic benefits associated with the dividend will flow to the entity; and (c) the amount of the dividend can be reliably measured.

4. Employee related expenses

Academic		
Salaries	239,180	222,032
Contributions to funded superannuation and pension schemes	37,893	39,026
Payroll tax	12,063	13,462
Workers' compensation	353	595
Long service leave	6,264	6,562
Annual leave	14,879	15,499
Total academic	310,632	297,176
Non-academic		
Salaries	222,707	214,520
Contributions to funded superannuation and pension schemes	35,528	37,693
Payroll tax	11,025	13,228
Workers' compensation	346	590
Long service leave	5,923	6,411
Annual leave	18,235	17,897
Total non-academic	293,764	290,339
Total employee related expenses	604,396	587,515

Contributions to superannuation funds are recognised as an expense as they become payable.

Past service costs are recognised in statement of comprehensive income immediately.

The University incurs payroll tax at the rate determined by the State Government for payments made to and benefits received by the employees.

The University pays premiums to WorkCover Queensland in respect of its obligations for employee compensation. Workers' compensation insurance is a consequence of employing staff, but is not counted in an employee's total remuneration package. It is not employee benefits and is recognised separately as employee related expenses.

Key executive management personnel are detailed in note 18.

Impact of COVID-19

Included in the total employee related expenses above for the year ended 31 December 2020 is an amount of \$32.4m relating to restructuring costs and a payroll tax refund of \$5.1m.

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

	Note	2020 \$'000	2019 \$'000
5. Other expenses			
Scholarships and prizes	1 (a)	74,899	53,319
External grants and third party payments		15,274	12,915
Advertising, marketing and promotional expenses		13,741	15,757
Audit fees, bank charges, legal costs and insurance		6,347	6,201
Clinical and practical teaching fees		15,738	16,457
Commission and partnership organisation expenses		25,131	22,712
Computer expenses		6,194	7,433
Consultancy		22,445	23,902
Hospitality		1,192	2,832
Inventory used		2,507	5,048
Laboratory consumables		8,533	9,471
Non-capitalised equipment		8,839	14,374
Operating lease fees and other rental		1,171	2,593
Printing and stationery		3,308	6,356
Safety, security and cleaning		13,514	15,018
Staff recruitment and benefits		1,930	3,508
Subscriptions and reference materials		15,340	18,620
Travel and conferences		4,214	22,567
Utilities		12,200	13,882
Other expenses		27,654	25,621
Total other expenses		280,171	298,586
6. Cash and cash equivalents			
Cash on hand		28	38
Cash at bank		6,409	10,931
Cash deposits at call		389,767	375,380
Total cash and cash equivalents		396,204	386,349

(a) Cash at bank and on hand

Cash on hand is non-interest bearing, while cash at bank is subject to a floating interest rate of 0.76% at balance date (2019: 1.20%).

(b) Cash deposits at call

The funds on call are invested with the Queensland Treasury Corporation in a Capital Guaranteed Cash Fund and were subject to a variable interest rate of approximately 0.89% at balance date (2019: 1.50%).

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

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for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

	2020 \$'000	2019 \$'000
7. Receivables and Contract assets		
Receivables		
Current		
Student fees receivables	3,464	3,692
Trade receivables	14,444	13,402
Other receivables	8,082	8,276
	<u>25,990</u>	<u>25,370</u>
Less: Allowance for expected credit losses	(1,611)	(556)
Total receivables	<u>24,379</u>	<u>24,814</u>

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as debt instruments at amortised cost. Trade receivables are due for settlement no more than 30 days from the date of recognition.

Contract assets

Contract assets - current	4,429	12,720
Contract assets - non-current	169	-
Total contract assets	<u>4,598</u>	<u>12,720</u>

The contract assets are associated with revenue that has been earned but not billed.

The classification of contract assets as current or non-current was made on the basis whether the revenue earned is going to be billed within or beyond a 12-month period.

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

At 1 January	(556)	(1,742)
Provision for expected credit losses	(2,049)	688
Write-off	994	498
At 31 December	<u>(1,611)</u>	<u>(556)</u>

(a) Impaired student fees receivable and contract assets

For student fees receivable and contract assets the University applies a simplified approach in calculating expected credit losses. Therefore, the University does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The University has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment (including the impact of COVID-19).

8. Other financial assets

Current

Other financial assets at fair value through profit or loss		
Queensland Investment Corporation Investment Funds	249,400	244,978
Other financial assets at fair value through other comprehensive income	297	310
Total current other financial assets	<u>249,697</u>	<u>245,288</u>

Non-current

Other financial assets at fair value through other comprehensive income		
Unit trust investments	265	269
Shares in corporations-unlisted	57,240	47,506
Investments accounted for using the equity method	6,849	7,117
Total non-current other financial assets	<u>64,354</u>	<u>54,892</u>
Total other financial assets	<u>314,051</u>	<u>300,180</u>

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

8. Other financial assets (continued)

The University accounts for Queensland Investment Corporation investment funds and shares in listed corporations at fair value at balance date. Shares in unlisted corporations are recognised at fair value unless there is insufficient information to determine a fair value, in which case amortised cost is used for measurement.

(i) Initial recognition and measurement

The University classifies its investments into the following categories:

- Financial assets at fair value through profit or loss; or
- Financial assets at fair value through other comprehensive income; or
- Financial assets at amortised cost.

Financial assets at fair value through profit or loss

These include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

The Queensland Investment Corporation investment funds are not considered to meet the definition of equity under AASB132 *Financial Instruments: Presentation* and are measured at fair value through profit or loss. Refer to note 3 Investment income for further detail.

Financial assets at fair value through other comprehensive income

Upon initial recognition, the University elects to irrevocably classify equity investments designated at fair value through other comprehensive income when they meet the definition of equity under AASB132 and are not held for trading. The classification is determined on an instrument-by-instrument basis. The University elected to irrevocably classify its unlisted and listed equity investments under this category as they are considered strategic in nature. Dividends received on these investments are recognised as income.

Financial assets at amortised cost

The University measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in the income statement when the asset is derecognised, modified or impaired.

Financial assets measured at fair value through other comprehensive income are subsequently measured at fair value. Gains or losses on these financial assets are never recycled to profit or loss. Dividends are recognised as investment income in the income statement when the right of payment has been established. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

(iii) Derecognition

Financial assets are primarily derecognised 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 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 assets, but has transferred control of the asset.

9. Property, plant and equipment

Keeping it simple ...

This section details the physical assets used by the University and includes land, buildings, infrastructure and equipment. Depreciation is charged to reflect annual use and the reduced value of the asset over time, other than land which is not depreciated.

All assets other than plant and equipment are revalued each year by external and independent valuers which is outlined further in the accounting policies within this note.

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for the year ended 31 December 2020

Notes to the financial statements for the year ended 31 December 2020

9. Property, plant and equipment (continued)

	Construction in progress	Land	Buildings	Infrastructure	Plant and equipment*	Library	Other plant and equipment**	Service concession assets	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2019									
Cost	42,925	-	-	-	188,404	-	-	-	231,329
Valuation	-	250,600	1,913,416	161,227	-	654	10,339	-	2,336,236
Accumulated depreciation	-	-	(671,640)	(59,633)	(128,338)	-	-	-	(859,611)
Net book amount	42,925	250,600	1,241,776	101,594	60,066	654	10,339	-	1,707,954
Year ended 31 December 2019 (restated)									
Opening net book amount	42,925	250,600	1,241,776	101,594	60,066	654	10,339	-	1,707,954
Adoption of AASB1059	-	-	-	-	-	-	-	35,560	35,560
Revaluation surplus	-	6,241	36,234	1,646	-	(426)	349	573	44,617
Additions	53,073	-	-	-	10,185	-	380	-	63,638
WIP transfers	(80,358)	-	70,983	2,459	6,916	-	-	-	-
Disposals: Cost	-	-	-	-	(11,045)	-	-	-	(11,045)
Disposals: Accumulated depreciation	-	-	-	-	10,357	-	-	-	10,357
Depreciation charge	-	-	(39,387)	(3,790)	(15,150)	-	-	(523)	(58,850)
Closing net book amount	15,640	256,841	1,309,606	101,909	61,329	228	11,068	35,610	1,792,231
At 31 December 2019 (restated)									
Cost	15,640	-	-	-	194,459	-	-	-	210,099
Valuation	-	256,841	2,032,339	166,329	-	228	11,068	42,799	2,509,604
Accumulated depreciation	-	-	(722,733)	(64,420)	(133,130)	-	-	(7,189)	(927,472)
Net book amount	15,640	256,841	1,309,606	101,909	61,329	228	11,068	35,610	1,792,231
Year ended 31 December 2020									
Opening net book amount	15,640	256,841	1,309,606	101,909	61,329	228	11,068	35,610	1,792,231
Revaluation surplus	-	-	(65)	2,191	-	-	233	222	2,581
Additions	29,669	-	-	-	7,227	-	378	-	37,274
WIP transfers	(19,904)	-	13,208	1,426	5,270	-	-	-	-
Disposals: Cost	-	-	-	-	(3,228)	(3)	-	-	(3,231)
Disposals: Accumulated depreciation	-	-	-	-	2,638	-	-	-	2,638
Depreciation charge	-	-	(41,520)	(4,001)	(14,449)	-	-	(531)	(60,501)
Closing net book amount	25,405	256,841	1,281,229	101,525	58,787	225	11,679	35,301	1,770,992
At 31 December 2020									
Cost	25,405	-	-	-	203,728	-	-	-	229,133
Valuation	-	256,841	2,073,637	172,058	-	225	11,679	43,449	2,557,889
Accumulated depreciation	-	-	(792,408)	(70,533)	(144,941)	-	-	(8,148)	(1,016,030)
Net book amount	25,405	256,841	1,281,229	101,525	58,787	225	11,679	35,301	1,770,992

* Plant and equipment includes all operational assets.

** Other plant and equipment includes non-operational assets such as artworks.

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Notes to the financial statements for the financial year ended 31 December 2020

9. Property, plant and equipment (continued)

Valuations of land, buildings and other assets

(i) Acquisition

All assets acquired during the accounting period have been initially recognised at cost. Cost is the value of assets given as consideration including costs incurred in preparing the assets ready for use.

Expenditure on existing infrastructure and buildings has been added to the value of the existing assets where the expenditure is deemed to increase the useful life of the asset as opposed to expenditure which maintains the useful life of the asset.

Items or components which form an integral part of an asset are recognised as a single asset (functional asset). The recognition threshold is applied to the aggregate cost of each functional asset.

The asset recognition threshold is \$5,000 for all property, plant and equipment, except infrastructure and buildings, which are capitalised when the cost exceeds \$10,000 and land and artworks where the cost is \$1 or greater.

(ii) Revaluation

Land, buildings, infrastructure, service concession assets, artworks and heritage library collections are valued at fair value in accordance with the Queensland Treasury's Guidelines *"Non-current Asset Policies for the Queensland Public Sector"*.

Artworks and heritage library collections are comprehensively revalued at five year intervals. Independent comprehensive revaluations are performed on land, buildings and infrastructure every three years, or whenever a material variation in these assets is expected to have occurred. In the intervening years a University specialist performs revaluations of artworks, while desktop valuations are performed on heritage library collections, land, buildings and infrastructure by independent valuers.

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

Land, buildings, infrastructure and service concession assets are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings and infrastructure. On revaluation, accumulated depreciation is restated proportionately with the change in the gross carrying amount of the asset, so that the carrying amount of the asset after the revaluation equals its revalued amount.

All other property, plant and equipment, except as stated above, is stated at historical cost less depreciation.

(a) Buildings, infrastructure and service concession assets

Building, infrastructure and service concession assets were subject to a desktop revaluation as at 30 September 2020 by Jones Lang LaSalle (JLL) Australia, licensed property valuers. The desktop valuation included applying indexation to the existing gross replacement cost derived from the previous valuation. In determining the indexation rates the valuers gave consideration to key construction guides and databases prepared by the Australian Institute of Quantity Surveyors (AIQS) and Rawlinson's (Australian Construction Handbook), economic and market conditions and other relevant sources. The gross value was established utilising the current replacement value of a new asset with similar service potential and includes allowances for preliminaries and professional fees and any restrictions placed on certain assets. The accumulated depreciation has been restated to reflect the consumed or expired service potential, thus reporting the University's building, infrastructure and service concession assets at fair value in accordance with the requirements of AASB116 *Property, Plant and Equipment*. The resultant change in the property, plant and equipment revaluation surplus is reported as part of note 16 Reserves and retained earnings.

(b) Land

In 2020, land was subject to a desktop revaluation by JLL Australia, licensed property valuers. The valuation was carried out on a market value basis and represents the estimated amount each property might reasonably be expected to realise in an exchange between willing and knowledgeable parties in an arm's length transaction, accounting for any restrictions in use, detailed further in note 25 Fair value measurements. The resultant change in the property, plant and equipment revaluation surplus is reported as part of note 16 Reserves and retained earnings.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

9. Property, plant and equipment (continued)

Valuations of land, buildings and other assets (continued)

(ii) Revaluation (continued)

(c) Library collection

Books contained in the Heritage Library Collection underwent a comprehensive revaluation in 2020 by Harbeck Rare Books Pty Ltd, a registered valuer under the Cultural Gifts Program of the Australian Government.

(d) Art collection (Queensland College of Art)

All artworks contained in the collection underwent a desktop valuation review during 2020 by an internal specialist. The valuation was performed in accordance with the requirements defined in AASB13 *Fair Value Measurement*.

(iii) Repairs and maintenance

Any repairs and maintenance expenditure above a threshold of \$10,000 subsequent to the original acquisition or completion of a building or infrastructure that either extends the life or increases the service potential is deemed to be capital in nature. All other repairs and maintenance expenditure is charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

(iv) Impairment of assets

The University applies Aus5.1 of AASB 136 which allows Not For Profit entities to not perform impairment tests subject to regular valuations being performed with consideration given to whether there are any indicators for a material reduction in the asset's service capability or useful life. Assets which are not regularly valued are tested at least annually for impairment, or when significant events or circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the Statement of Comprehensive Income for the amount by which the asset's carrying amount exceeds its recoverable amount.

(v) Depreciation

Land, art and library collections are not depreciated. All other asset categories are depreciated over their estimated useful economic lives to the University using the straight-line method. The residual value and useful life of each asset category is reviewed annually, and adjusted if appropriate.

For each class of depreciable asset, the following useful lives, applicable to both reported periods, are used for depreciation calculation purposes:

- Buildings and service concession assets – variable, based on periodic assessments of condition – 10 to 100 years
- Infrastructure – variable, based on periodic assessments of condition – 10 to 100 years
- Plant and equipment – up to 10 years
- Vehicles – 1.5 to 7 years

(vi) Derecognition of property, plant and equipment

An item of property, plant and equipment is derecognised when disposed of or when no future economic benefits are expected to arise from the continued use of the asset.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in the Statement of Comprehensive Income. When revalued assets are disposed, amounts included in the property, plant and equipment revaluation surplus relating to that asset are transferred to retained earnings.

Non-current assets pledged as security

There are no non-current assets pledged as security by the University or its controlled entities.

Right of use (ROU) assets

In 2019, Amendment AASB2018-8 as a temporary measure, permitted not-for-profit lessees to not measure ROU assets for below market or peppercorn leases at fair value, since further guidance was expected to be developed to assist not-for-profit entities in measuring ROU assets at fair value. A further amendment AASB2019-8 now allows the University to either measure ROU assets at cost or fair value. The University has two existing land leases with significantly below market lease payments. The University elected to measure the ROU assets for below market or peppercorn leases at cost, in accordance with Queensland Treasury policy directives.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

	2020	2019 Restated
	\$'000	\$'000
9. Property, plant and equipment (continued)		
Service concession asset		
Non-current		
At valuation	43,449	42,799
Accumulated depreciation	(8,148)	(7,189)
Total service concession asset	35,301	35,610

An asset constructed for the University by private operators is recognised as a service concession asset when the University controls the asset. Control of service concession assets arises when the University controls or regulates what services the operator must provide with the asset, to whom it must provide them, and at what price. Control assessment further requires that the University must control through ownership, beneficial entitlement, any significant residual interest in the asset at the end of the term of the arrangement. The grantor also controls the asset if it will be used in a service concession arrangement for either its entire economic life or the major part of its economic life.

Service concession assets are initially recognised at fair value, which is their current replacement cost in accordance with the cost approach to fair value in AASB13. After initial recognition, service concession assets are carried at fair value less any depreciation and impairment.

10. Intangible assets and premium on leased property

	Development costs \$'000	Licences \$'000	Subtotal \$'000	Premium on leased property \$'000	Total \$'000
At 1 January 2019					
Cost	53,978	6,473	60,451	7,500	67,951
Accumulated amortisation	(34,239)	(5,112)	(39,351)	(1,261)	(40,612)
Net book amount	19,739	1,361	21,100	6,239	27,339
Year ended 31 December 2019					
Opening net book amount	19,739	1,361	21,100	6,239	27,339
Additions: Internal development	2,790	-	2,790	-	2,790
Disposals: Cost	(8,539)	(647)	(9,186)	-	(9,186)
Disposals: Accumulated amortisation	8,539	647	9,186	-	9,186
Amortisation charge	(7,568)	(82)	(7,650)	(68)	(7,718)
Closing net book amount	14,961	1,279	16,240	6,171	22,411
At 31 December 2019					
Cost	48,229	5,826	54,055	7,500	61,555
Accumulated amortisation	(33,268)	(4,547)	(37,815)	(1,329)	(39,144)
Net book amount	14,961	1,279	16,240	6,171	22,411
Year ended 31 December 2020					
Opening net book amount	14,961	1,279	16,240	6,171	22,411
Additions: Internal development	3,515	-	3,515	-	3,515
Amortisation charge	(6,578)	(82)	(6,660)	(69)	(6,729)
Closing net book amount	11,898	1,197	13,095	6,102	19,197
At 31 December 2020					
Cost	51,744	5,826	57,570	7,500	65,070
Accumulated amortisation	(39,846)	(4,629)	(44,475)	(1,398)	(45,873)
Net book amount	11,898	1,197	13,095	6,102	19,197

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

10. Intangible assets and premium on leased property (continued)

(i) Research

Research costs incurred in obtaining new scientific or technical knowledge and understanding, are recognised in the Statement of Comprehensive Income as an expense when they are incurred.

(ii) Development

Expenditure on development activities, including software, being the application of research findings or other knowledge to a plan or design for the production of new or substantially improved products or services before the start of commercial production or use, is capitalised if the product or service is technically and commercially feasible, adequate resources are available to complete development and the costs on completion of the asset exceed the capitalisation threshold of \$100,000. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate portion of overheads.

Other development expenditure is recognised in the Statement of Comprehensive Income as an expense as incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses recognised. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 1 to 5 years.

(iii) Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of licences over their estimated useful lives which varies from 5 to 20 years.

(iv) Premium on leased property

The University is leasing certain land and buildings at the Southbank campus under a long-term lease arrangement expiring in 2110. The lease premium is being amortised over the period of the lease.

	2020	2019
	\$'000	\$'000
11. Other non-financial assets		
Current		
Prepayments	25,880	29,498
Total other non-financial assets	25,880	29,498

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

12. Trade and other payables and Contract liabilities

Current		
Trade payables	4,734	13,139
Accrued expenditure	10,055	15,300
Funds held on behalf of other bodies	1,254	1,758
Payroll accruals	3,017	3,452
OS-HELP Liability to Australian Government	7,789	1,786
Total trade and other payables	26,849	35,435

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

(a) Contract liabilities

Australian Government unspent financial assistance	18,801	15,665
Other contract liabilities	67,670	67,819
Contract liabilities – current	73,913	75,817
Contract liabilities – non-current	12,558	7,667

The contract liabilities are associated with revenue being billed but performance obligations are unsatisfied. The classification of contract liabilities as non-current was made on the basis that the unsatisfied performance obligations will be satisfied beyond the 12-month period.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

	2020 \$'000	2019 \$'000
13. Borrowings		
Current		
Unsecured		
Queensland Treasury Corporation loans	12,060	11,661
Total current unsecured borrowings	<u>12,060</u>	<u>11,661</u>
Non-current		
Unsecured		
Queensland Treasury Corporation loans	57,992	70,052
Total non-current unsecured borrowings	<u>57,992</u>	<u>70,052</u>
Total borrowings	<u>70,052</u>	<u>81,713</u>

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost, using the effective interest rate method.

Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

For detailed information on the University borrowings see note 17(c) Financial risk management, Liquidity risk and note 25 Fair value measurements. The carrying amount of all borrowings is held in Australian dollars. None of the University's borrowings are readily traded on organised markets in standardised form. The University does not have any assets pledged as security for interest-bearing liabilities.

(a) Financing arrangements

The University has unrestricted access to \$15.0m credit (2019: \$10.0m) through current credit card arrangements. As at balance date, \$0.6m (2019: \$0.8m) had been used.

(b) Risk exposures

In 2016, all of the University's borrowings were converted to fixed interest rates. Therefore, at balance date there is no interest rate risk exposure.

14. Provisions

Current provisions expected to be settled within 12 months

Employee benefits		
Long service leave	8,059	7,583
Annual leave	36,854	34,816
Termination benefits	4,737	454
Subtotal	<u>49,650</u>	<u>42,853</u>

Current provisions expected to be settled after more than 12 months

Employee benefits		
Long service leave	38,388	43,955
Annual leave	3,982	2,753
Subtotal	<u>42,370</u>	<u>46,708</u>
Total current provisions	<u>92,020</u>	<u>89,561</u>

Non-current provisions

Employee benefits		
Long service leave	18,785	17,846
Total non-current provisions	<u>18,785</u>	<u>17,846</u>
Total provisions	<u>110,805</u>	<u>107,407</u>

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

14. Provisions (continued)

Provisions are recorded when the University has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period. Where the settlement of the obligation is expected after twelve or more months, the obligation is discounted to the present value using an appropriate discount rate.

Impact of COVID-19

During the year ended 31 December 2020, accrued employee benefits of \$7.8m was paid in relation to restructuring costs. Refer to note 1(a) for further information.

Employee benefits

(i) Short-term obligations

Liabilities for short-term employee benefits due and expected to be settled wholly before twelve months after the end of the reporting period are recognised in the Statement of Financial Position at the current pay rates.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

(ii) Other long-term obligations

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

Other long-term obligations 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. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

(iii) Retirement benefit obligations

Contributions made by the University to employee superannuation funds are charged as expenses when incurred and the University's legal or constructive obligation is limited to these contributions.

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The 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.

	2020	2019
		Restated
	\$'000	\$'000
15. Other liabilities		
Current		
Unearned revenue	12,368	16,780
Grant of right to the operator liability	961	961
Other liabilities	390	1,375
Total current other liabilities	13,719	19,116
Non-current		
Grant of right to the operator liability	20,182	21,144
Total non-current other liabilities	20,182	21,144
Total other liabilities	33,901	40,260

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

	2020	2019
	\$'000	Restated \$'000
16. Reserves and retained earnings		
(a) Reserves		
Property, plant and equipment revaluation surplus	875,165	872,584
Financial assets at fair value through other comprehensive income	57,342	47,620
Total reserves	932,507	920,204
Property, plant and equipment revaluation surplus		
Balance at 1 January	872,584	827,967
Revaluation of land	-	6,241
Revaluation of buildings	(65)	36,234
Revaluation of service concession assets	222	573
Revaluation of infrastructure	2,191	1,646
Revaluation of other assets	233	(77)
Balance at 31 December	875,165	872,584
Financial assets at fair value through other comprehensive income		
Balance at 1 January	47,620	30,071
Revaluation	9,722	17,549
Balance at 31 December	57,342	47,620
(b) Retained earnings		
Movements in retained earnings were as follows:		
Retained earnings at 1 January	1,301,849	1,283,894
Retrospective changes upon adoption of AASB15	-	(47,752)
Retrospective changes upon adoption of AASB1059	-	12,494
Operating result for the year	(5,057)	53,213
Retained earnings at 31 December	1,296,792	1,301,849

(c) Nature and purpose of reserves

Transfers to and from the property, plant and equipment revaluation surplus and financial assets at fair value through other comprehensive income result from fluctuations in the fair value of assets held.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

17. Financial risk management

Keeping it simple ...

The University's activities expose it to a variety of financial risks: market (including foreign exchange, price and interest rate risk), credit and liquidity risk. The University seeks to minimise potential adverse effects on its financial performance and uses various strategies to manage certain risk exposures.

Objectives and Policies

The University's activities expose it to a variety of financial risks including market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. These risks are managed by the University as described below. The University's financial instruments consist mainly of cash funds, equity instruments, accounts receivable and payable, and borrowings.

Risk management is carried out by Finance under policies approved by the University Council.

(a) Market risk

(i) Foreign exchange risk

The University's direct financial exposure to foreign exchange risk lies in its purchase of goods and services in foreign currency.

The University has approval to hedge foreign currency transactions to mitigate foreign exchange risk. The University also holds bank accounts in Hong Kong dollars, United States dollars, Euro and Pound sterling. Management does not consider the financial impact of foreign exchange risk to be material for further disclosure and analysis.

(ii) Price risk

The University's exposure to price risk lies in managed funds administered by Queensland Investment Corporation and the shareholdings in Education Australia Limited. The remainder of the University shareholdings and investments are not subject to price risk as they are not publicly traded.

The University mitigates this risk by constant review of investment holdings to determine appropriate action.

The management and operation of the University's investment portfolio is governed by the *Griffith University Act 1998* (Qld), the *Statutory Bodies Financial Arrangements Act 1982* (Qld) and the University's Treasury Policy.

The University's investment strategy seeks to achieve compliance with statutory and legislative requirements, to preserve and improve the value of the University's investment assets over time, and to earn a return commensurate with the term of the University's investments and the credit worthiness of the underlying counterparties.

Outlined in the following table is the University's sensitivity analysis to price risk. The University has chosen a fluctuation of 10% (2019: 10%) to outline this sensitivity. The decision not to change the sensitivity relates to the University management's study of current market data.

(iii) Interest rate risk

The University's exposure to interest rate risk arises predominantly from assets and liabilities bearing variable interest rates. Where possible to mitigate this risk, the University holds fixed rate assets and liabilities to maturity.

Outlined in the table below is the University's sensitivity analysis to interest rate risk. Interest rate risk lies in balances in bank accounts earning interest and Queensland Treasury Corporation (QTC) managed funds. At balance date, the University's borrowings from QTC were under fixed interest rates and therefore are not considered to be exposed to interest rate risk. The University has chosen a fluctuation of 1% (2019: 1%) to outline this sensitivity. The decision not to change the sensitivity relates to the University management's study of current market data.

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Notes to the financial statements for the financial year ended 31 December 2020

17. Financial risk management (continued)

(a) Market risk (continued)

	Carrying Amount	Interest rate risk				Price risk			
		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets									
Cash and cash equivalents ^{#1}	396,204	(3,934)	(3,934)	3,934	3,934	-	-	-	-
Other financial assets ^{#2}	314,051	-	-	-	-	(29,497)	(29,497)	29,497	29,497
Receivables	24,379	-	-	-	-	-	-	-	-
Contract assets	4,598	-	-	-	-	-	-	-	-
Financial liabilities									
Trade and other payables	26,849	-	-	-	-	-	-	-	-
Borrowings	70,052	-	-	-	-	-	-	-	-
Other liabilities ^{#3}	390	-	-	-	-	-	-	-	-
Total (decrease)/ Increase		(3,934)	(3,934)	3,934	3,934	(29,497)	(29,497)	29,497	29,497

	Carrying Amount	Interest rate risk				Price risk			
		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2019	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets									
Cash and cash equivalents ^{#1}	386,349	(3,862)	(3,862)	3,862	3,862	-	-	-	-
Other financial assets ^{#2}	300,180	-	-	-	-	(28,536)	(28,536)	28,536	28,536
Receivables	24,814	-	-	-	-	-	-	-	-
Contract assets	12,720	-	-	-	-	-	-	-	-
Financial liabilities									
Trade and other payables	35,435	-	-	-	-	-	-	-	-
Borrowings	81,713	-	-	-	-	-	-	-	-
Other liabilities ^{#3}	1,375	-	-	-	-	-	-	-	-
Total (decrease)/ Increase		(3,862)	(3,862)	3,862	3,862	(28,536)	(28,536)	28,536	28,536

^{#1} Within cash and cash equivalents, \$0.2 million (2019: \$0.2 million) has no interest rate risk exposure.

^{#2} Within other financial assets, \$19.1 million (2019: \$14.8 million) has no price risk exposure.

^{#3} Within other liabilities, \$33.5 million (2019: \$38.9 million) is not considered to be a financial liability.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

17. Financial risk management (continued)

(c) Liquidity risk (continued)

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

31 December 2020	Average interest rate %	Variable interest rate \$'000	Less than 1 year \$'000	1 to 5 years \$'000	5+ years \$'000	Non interest \$'000	Total \$'000
Financial assets							
Cash on hand and at bank	0.76%	3,665	-	-	-	2,772	6,437
Cash deposits at call	0.99%	389,767	-	-	-	-	389,767
Receivables	-	-	-	-	-	24,379	24,379
Contract assets	-	-	-	-	-	4,598	4,598
Other financial assets	-	-	-	-	-	314,051	314,051
Total financial assets		393,432	-	-	-	345,800	739,232
Financial liabilities							
Payables	-	-	-	-	-	26,849	26,849
Borrowings	3.65%	-	14,358	48,502	17,435	-	80,295
Other financial liabilities	-	-	-	-	-	390	390
Total financial liabilities		-	14,358	48,502	17,435	27,239	107,534

31 December 2019	Average interest rate %	Variable interest rate \$'000	Less than 1 year \$'000	1 to 5 years \$'000	5+ years \$'000	Non interest \$'000	Total \$'000
Financial assets							
Cash on hand and at bank	1.62%	10,032	-	-	-	937	10,969
Cash deposits at call	2.10%	375,380	-	-	-	-	375,380
Receivables	-	-	-	-	-	24,814	24,814
Contract assets	-	-	-	-	-	12,720	12,720
Other financial assets	-	-	-	-	-	300,180	300,180
Total financial assets		385,412	-	-	-	338,651	724,063
Financial liabilities							
Payables	-	-	-	-	-	35,435	35,435
Borrowings	3.63%	-	14,358	57,432	22,863	-	94,653
Other financial liabilities	-	-	-	-	-	1,375	1,375
Total financial liabilities		-	14,358	57,432	22,863	36,810	131,463

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

18. Key management personnel disclosures

(a) Names of responsible persons and executive officers

Responsible persons

The following persons were Council members during the financial year 2020:

Chancellor	Mr Henry Smerdon AM*
Deputy Chancellor	Ms Rachel Hunter
Pro Chancellor	Ms Rhonda White AO
Vice Chancellor and President	Professor Carolyn Evans*
Members appointed by the Governor-in-Council	Mr Clinton Dines Ms Amelia Evans The Honourable Andrew Fraser Ms Rachel Hunter Ms Olivia Loadwick Ms Ann Robilotta-Glenister OAM Ms Rhonda White AO
Elected academic staff	Professor Liz Jones* (concluded term on 23 October 2020) Professor Gary Rogers* (concluded term on 28 February 2020) Professor Eleanor Milligan* (commenced 28 October 2020) Associate Professor Vallipuram Muthukkumarasamy* (commenced 29 February 2020)
Elected student members	Mr Srinath Chithravelu Poochan Mr Liam Baker
Elected general staff	Dr Naveen Sharma*
Council appointed members	The Honourable Rob Borbidge AO Mr Craig Bassingthwaighe Mr Joshua Creamer Ms Jessica Rudd

*Council members who also serve as staff members.

Executive officers

The following persons had responsibility for planning, directing and controlling the activities of the University during the year:

Vice Chancellor and President	Professor Carolyn Evans
Senior Deputy Vice Chancellor	Professor Debra Henly (concluded term on 31 December 2020)
Deputy Vice Chancellor (Engagement)	Professor Martin Betts (concluded term on 1 May 2020)
Deputy Vice Chancellor (Research)	Professor Mario Pinto (commenced 3 February 2020)
Deputy Vice Chancellor (Research) - Acting	Professor Andrea Bishop (concluded acting term on 1 February 2020)
Chief Operating Officer	Mr Peter Bryant
Vice President Industry and External Engagement	Dr Peter Binks (commenced 16 November 2020)

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

18. Key management personnel disclosures (continued)

(b) Remuneration of council members and executives

Other than the Chancellor, Council members are not remunerated for their services as Council members. Staff members who serve as Council members are remunerated only for their substantive role within the University. They are not remunerated for their role as Council members. The remuneration of Council members appears in the table below except for the Vice Chancellor and President whose remuneration is included in the remuneration of executive officers.

	2020 Number	2019 Number
Remuneration of council members		
\$0 to \$14,999	13	14
\$15,000 to \$29,999	-	1
\$30,000 to \$44,999	1	-
\$45,000 to \$59,999	1	1
\$60,000 to \$74,999	1	-
\$120,000 to \$134,999	1	-
\$150,000 to \$164,999	1	1
\$180,000 to \$194,999	1	-
\$210,000 to \$224,999	-	1
\$285,000 to \$299,999	-	1
Remuneration of executive officers		
\$45,000 to \$59,999	1	-
\$60,000 to \$74,999	1	-
\$300,000 to \$314,999	-	1
\$330,000 to \$344,999	-	1
\$565,000 to \$579,999	3	-
\$580,000 to \$594,999	-	1
\$595,000 to \$609,999	1	-
\$610,000 to \$624,999	-	2
\$865,000 to \$879,999	1	-
\$880,000 to \$894,999	-	1

Remuneration paid or payable to Council members and executives in connection with the management of the University's affairs was \$3,945,978 for 2020 (2019: \$4,105,067). 2019 classifications have been updated to include accrued remuneration.

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Notes to the financial statements for the financial year ended 31 December 2020

18. Key management personnel disclosures (continued)

(c) Key executive management personnel disclosures

The following persons had responsibility for planning, directing and controlling the activities of the University during the year.

Position	Responsibilities	Incumbents	
		Contract classification and appointment authority	Date appointed to position (Date concluded from the position)
Vice Chancellor and President	The Vice Chancellor and President is the Chief Executive Officer of the University and is responsible to the Council of the University. The position is responsible for articulating a clear strategic direction for the University, providing academic and professional leadership, maintaining a focus on quality, engendering a collegial community amongst staff and students, fostering effective relationships with stakeholders and ensuring sound financial management and stewardship of resources.	VC - Council	4 February 2019
Senior Deputy Vice Chancellor	The Senior Deputy Vice Chancellor provides strategic leadership to the University. The position is responsible for academic planning, learning and teaching, students, academic staffing, and academic policies relevant to the above matters.	SDVC - Council	11 May 2019 (31 December 2020)
Deputy Vice Chancellor (Research)	The Deputy Vice Chancellor (Research) is responsible for the overall strategic leadership and management of the University's research portfolio including research commercialisation and the Higher Degree Research (HDR) candidate cohort, as well as providing visionary leadership in stewarding the University towards fully achieving its research potential.	DVC (R) - Council	3 February 2020
Deputy Vice Chancellor (Engagement)	The Deputy Vice Chancellor (Engagement) provides strategic leadership in: the external representation of the University and its development and advancement agenda; domestic student recruitment for undergraduate and postgraduate coursework programs; student and staff equity policy development and programs and the University's development and alumni, marketing and communications activities and functions. The Deputy Vice Chancellor (Engagement) is also Head of Nathan and South Bank Campuses.	DVC (E) - Council	10 February 2014 (1 May 2020)
Vice President Industry and External Engagement	The Vice President Industry and External Engagement is a member of the University's executive and provides leadership in key strategic areas that are central to the University's objectives, specifically Industry and Community Engagement, Relationships and Partnerships. The Vice President (Industry and External Engagement) has executive leadership responsibility for the Office of Industry and Community Partnerships, Centre for Interfaith and Cultural Dialogue and Griffith Sports College.	VP I & EE - Council	16 November 2020
Chief Operating Officer	The Chief Operating Officer provides strategic leadership of the corporate and professional services that underpin the successful operation of the University and for advising the Vice Chancellor and President on policy, strategy and tactics to support and enhance the University's mission.	COO - Council	13 November 2017

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

	2020 \$'000	2019 \$'000
18. Key management personnel disclosures (continued)		
(d) Key executive management personnel remuneration expenses		
Short term employee benefits:		
Monetary expenses	2,473	2,798
Non-monetary benefits	63	69
Long term employee expenses	68	88
Post employment expenses	373	411
Termination benefits	341	-
Total expenses	3,318	3,366

Remuneration expenses for key executive management personnel comprise the following components:

- Short term employee expenses which include:
 - monetary expenses – consisting of salaries, allowances and leave entitlements earned and expensed for the entire year or for that part of the year during which the employee occupied the specified position.
 - non-monetary benefits – consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.
- Performance bonuses are not paid under the contracts in place.

During the year, as part of the University's response to the financial impact of the COVID pandemic, executive management donated 20 percent of salary to Griffith University student bursaries for six months. The monetary expenses amount disclosed above is net of this donation which totalled \$239,000. No salary increases were awarded to key executive management personnel in 2020, which excluding termination costs decreased by 11.5% compared to the prior year.

(e) Loans to key management personnel

There were no loans to key management personnel during the financial year (2019: none).

(f) Other transactions with key management personnel

There were no other transactions with key management personnel during the financial year (2019: none).

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

	2020 \$'000	2019 \$'000
19. Remuneration of auditors		
Audit of the Financial Statements		
Fees paid to Queensland Audit Office	220	225
Total remuneration of auditors	220	225

20. Contingencies

Contingent assets

The University has a number of outstanding insurance claims, which are currently being assessed by the University's insurers. The University believes that it would be misleading to estimate the final amounts recoverable, if any, in respect of the outstanding claims as at 31 December 2020.

Contingent liabilities

Management is not aware of any contingent liabilities existing at balance date.

21. Commitments

(a) Capital commitments

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

<i>Property, plant and equipment</i>		
Within one year	22,934	9,516
Between one and five years	1,136	399
Later than five years	-	-
Total property, plant and equipment commitments	24,070	9,915

(b) Other expenditure commitments

Commitments for expenditure in existence at the reporting date but not recognised as liabilities, payable:

Within one year	37,304	49,768
Later than one year but not later than five years	6,099	964
Later than five years	-	-
Total other expenditure commitments	43,403	50,732

22. Financial impact – COVID-19

The financial impact arising from the COVID-19 pandemic is considered in note 1(a).

23. Event occurring after the reporting period

The shareholding in Education Australia Limited (EAL) has increased in the period to 22 February 2021 by \$12.9 million due to EAL's investment in IDP Education Limited's shares increasing in value. This increase would be recognised as a gain on equity instruments designated at fair value through other comprehensive income if measured at 22 February 2021. This is considered a non-adjusting event for financial reporting and disclosure purposes. No further issues have been identified.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

24. Reconciliation of net result after income tax to net cash provided by operating activities

	2020	2019
	\$'000	Restated \$'000
Net result for the period	(5,057)	53,213
Depreciation and amortisation	67,230	66,568
Net (gain)/loss on disposal of non-current assets	(90)	32
Net foreign exchange differences	1,358	(285)
Fair value (gains) on other financial assets at fair value through profit or loss	(2,050)	(24,823)
Opening retained earnings adjustment	-	(35,258)
Recognition of Service concession asset upon adoption of AASB1059	-	(35,560)
Share of loss of associates and joint venture partnership not received as dividends and distributions	268	268
Donated art	(311)	(336)
(Increase)/Decrease in receivables	(620)	4,174
Decrease/(Increase) in contract assets	8,122	(12,720)
Decrease in inventories	73	73
(Increase) in other financial assets	(2,372)	(8,875)
Decrease/(Increase) in other non-financial assets	3,618	(9,093)
(Decrease)/Increase in other liabilities	(6,359)	4,429
(Decrease)/Increase in payables	(11,463)	99
Increase in contract liabilities	2,987	83,484
Increase in allowances for employee entitlements	3,398	5,888
Increase/(Decrease) in allowance for impairment	1,055	(1,186)
Net cash provided by operating activities	59,787	90,092

25. Fair value measurements

(a) Fair value measurements

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

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

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

	Carrying amount		Fair value	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	396,204	386,349	396,204	386,349
Receivables	24,379	24,814	24,379	24,814
Contract assets	4,598	12,720	4,598	12,720
Other financial assets	314,051	300,180	314,051	300,180
Total financial assets	739,232	724,063	739,232	724,063
Financial liabilities				
Payables	26,849	35,435	26,849	35,435
Borrowings	70,052	81,713	77,218	87,802
Total financial liabilities	96,901	117,148	104,067	123,237

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

25. Fair value measurements (continued)

(a) Fair value measurements (continued)

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

- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Land and buildings, Service concession assets, Infrastructure, Artworks and Library assets through other comprehensive income

The University does not measure and recognise any liabilities at fair value on a recurring basis.

(b) Fair value hierarchy

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

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

(i) Recognised fair value measurements

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels at 31 December 2020.

Fair value measurements at 31 December 2020

Recurring fair value measurements	Notes	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets					
Financial assets at fair value through profit or loss	8	249,400	249,400	-	-
Financial assets at fair value through other comprehensive income	8	57,802	297	-	57,505
Investments accounted for using the equity method	8	6,849	-	-	6,849
Total financial assets		314,051	249,697	-	64,354
Non-financial assets					
Infrastructure	9	101,525	-	-	101,525
Land and buildings	9	1,538,070	-	-	1,538,070
Service concession assets	9	35,301	-	-	35,301
Artworks and library assets	9	11,904	-	-	11,904
Total non-financial assets		1,686,800	-	-	1,686,800

Fair value measurements at 31 December 2019 (restated)

Recurring fair value measurements	Notes	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Financial assets					
Financial assets at fair value through profit or loss	8	244,978	244,978	-	-
Other financial assets at fair value through other comprehensive income	8	48,085	310	-	47,775
Investments accounted for using the equity method	8	7,117	-	-	7,117
Total financial assets		300,180	245,288	-	54,892
Non-financial assets					
Infrastructure	9	101,909	-	-	101,909
Land and buildings	9	1,566,447	-	-	1,566,447
Service concession assets	9	35,610	-	-	35,610
Artworks and library assets	9	11,296	-	-	11,296
Total non-financial assets		1,715,262	-	-	1,715,262

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

25. Fair value measurements (continued)

(b) Fair value hierarchy (continued)

(i) Recognised fair value measurements (continued)

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.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

(ii) Disclosed fair values

The University has a limited number of assets and liabilities which are not measured at fair value, but for which the fair values are disclosed in the notes.

The fair value of assets or liabilities traded in active markets is based on quoted market prices for identical assets or liabilities at the balance sheet date (level 1). This is the most representative of fair value in the circumstances.

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

The fair value of non-current borrowings disclosed in (a) 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. For the period ended 31 December 2020, the borrowing rates were determined to be between 3.28% and 3.97% depending on the type of borrowing (2019: between 3.28% and 3.97%). The fair value of current borrowings approximates the carrying amount, as the impact of discounting is not significant (level 2).

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

(i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market 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 has used the net asset based methodology for Education Australia Ltd (EAL) and Open Universities Australia shareholding valuation. The value of EAL shareholding includes a market valuation of the holding in ASX listed IDP Education Ltd, adjusted as appropriate for relevant market restrictions.

Land, buildings, infrastructure and service concession assets (classified as property, plant and equipment) are valued independently on a comprehensive basis every three years, with desktop valuations undertaken in the intervening years. At the end of each reporting period, the University updates its assessment of the fair value of each property, taking into account the most recent independent valuations. The University determines the property's value within a range of reasonable fair value estimates.

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

- current prices in an active market for properties of different nature or recent prices of similar properties 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 properties are included in level 3. Sale prices of comparable land in close proximity are adjusted for differences in key attributes such as property size and zoning differences. The most significant input into this valuation approach is price per square metre.

Land types that are commonly traded in the property market would be considered to have level 2 valuation inputs, but due to the characteristics of the University's land assets the valuers have assigned level 3 valuation inputs. Most of the land parcels are exceptionally large and would be considered an anomaly in the general market place.

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

25. Fair value measurements (continued)

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

(i) Recurring fair value measurements (continued)

There are no directly comparable sales of land parcels of this size or development potential, which is highly subjective and could fall within a large range of uses and densities. These were subsequently valued at the level 3 valuation input hierarchy by using the professional judgement of a registered valuer who adjusted the price per square metre of sales from sites not in close proximity which provided only a low level of comparability.

Specialised buildings were valued using the current replacement cost approach using professionally qualified registered valuers. The approach estimated the replacement cost for each building by its individual components with different useful lives and taking into account a range of factors. While the unit rates based on square metres could be supported from market evidence (level 2) other inputs (such as estimates of useful life and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

All road and water network infrastructure assets were valued using level 3 valuation inputs using the current replacement cost approach.

During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. While these could be classified as valued at level 2, given the low proportion of the total portfolio that these represented and the likelihood that in future valuations they would be valued at level 3, management have adopted a policy that all road and water network infrastructure assets are valued at level 3.

(ii) Non-recurring fair value measurements

The University did not measure any financial assets at fair value on a non-recurring basis as at the end of the reporting period.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

25. Fair value measurements (continued)

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

The following table is a reconciliation of level 3 items for the periods ended 31 December 2020 and 2019.

	Unlisted equity Securities \$'000	Buildings \$'000	Service Concession assets \$'000	Land \$'000	Infrastructure \$'000	Artworks and Library \$'000	Total \$'000
Level 3 fair value measurements 2020							
Opening balance	54,892	1,309,606	35,610	256,841	101,909	11,296	1,770,154
Acquisitions	-	13,208	-	-	1,426	378	15,012
Depreciation	-	(41,520)	(531)	-	(4,001)	-	(46,052)
Disposals	-	-	-	-	-	(3)	(3)
Total (losses)	(268)	-	-	-	-	-	(268)
Recognised in Statement of Comprehensive Income	-	-	-	-	-	-	-
Recognised in other comprehensive income	9,730	(65)	222	-	2,191	233	12,311
Closing balance	64,354	1,281,229	35,301	256,841	101,525	11,904	1,751,154
Level 3 fair value measurements 2019 (restated)							
Opening balance	37,785	1,241,776	-	250,600	101,594	10,993	1,642,748
Adoption of AASB1059	-	-	35,560	-	-	-	35,560
Acquisitions	-	70,983	-	-	2,459	380	73,822
Depreciation	-	(39,387)	(523)	-	(3,790)	-	(43,700)
Disposals	-	-	-	-	-	-	-
Total (losses)	(268)	-	-	-	-	-	(268)
Recognised in Statement of Comprehensive Income	-	-	-	-	-	-	-
Recognised in other comprehensive income	17,375	36,234	573	6,241	1,646	(77)	61,992
Closing balance	54,892	1,309,606	35,610	256,841	101,909	11,296	1,770,154

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

25. Fair value measurements (continued)

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

(i) Valuation inputs and relationships to fair value

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

Description	Fair value at 31 December 2020 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)		Relationship of unobservable inputs to fair value	
			Lower	Upper	Lower \$'000	Upper \$'000
Buildings	1,281,229	Replacement cost rate Asset condition	(2.50)%	2.50%	(32,031)	32,031
Land	256,841	Price per square metre	(2.50)%	2.50%	(6,421)	6,421
Service concession asset	35,301	Replacement cost rate Asset condition	(2.50)%	2.50%	(883)	883
Infrastructure	101,525	Unit cost rate Asset condition	(2.50)%	2.50%	(2,538)	2,538

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

(ii) Valuation processes

The University engages external, independent and qualified valuers to determine the fair value of the University's land, buildings and infrastructure on a regular basis. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. If any variation is considered material a revaluation is undertaken either by comprehensive revaluation or by applying an interim revaluation using appropriate indices.

The main level 3 inputs used are derived and evaluated as follows:

Cost for land restricted in use (non-saleable) – estimated cost to replace the existing land if the University had to acquire it on the open market in competition with other market participants. Due to the restricted nature and unique characteristics of this land there was insufficient market evidence of directly comparable sales. Reference was made to sales of land with a limited level of comparability at distant locations and adjusted by the valuer using professional judgement to take account of the differing characteristics. These were evaluated for reasonableness against the price per square metre for other restricted in use land held by the University.

Replacement cost rate – given the specialised nature of the assets and limited market based evidence of value, current replacement cost approach has been adopted to estimate the fair value of buildings. The replacement cost involves estimating a price per square metre replacement cost. This replacement cost rate is determined having regard to recent construction data, consideration of building size, material, type, and structure to derive the unit rate, and Rawlinson's cost data and cost indices for different regions in Queensland. The Rawlinson's cost data selected is then subject to review by engineers and valuers taking into account site specifics.

Unit cost rate – Unit rates are developed by summing each component which goes into producing a unit (be it metres, square metres, tonnes, etc.) of an infrastructure asset. The major components of any asset are the raw materials, plant, labour and intangible overheads. The raw cost of material, as well as plant and labour hire rates, are established either through communicating directly with suppliers and obtaining quoted prices, by using cost guides such as the Rawlinsons' Construction Handbook and through reviewing prices supplied by the University.

Asset condition – asset condition assessments are used in estimating the remaining useful lives of buildings, infrastructure and service concession assets. Where the condition was able to be determined from the valuer's inspection, or where detailed condition reports have been prepared, the remaining life is dependent on the recorded condition, using a sliding scale. Where detailed condition is not available but the age of the asset is known, the remaining life is estimated using the current age of the assets, adjusted for obsolescence after visual inspection. Where neither the condition nor the age are known, assumptions are made as to the age and condition of the assets in collaboration with the University, in order to obtain a current replacement cost which reasonably reflects the value of the asset.

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

25. Fair value measurements (continued)

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

(ii) Valuation processes (continued)

The nature of road and water network infrastructure is that there is a very large number of assets which comprise the network and as a result it is not considered reasonable and cost effective to inspect every asset for the purposes of completing a valuation. As a consequence reliance is placed on the accuracy of data held in the asset management system and its associated internal controls. This includes regular planned inspections and updates to the system following maintenance activities and renewal treatments. Likewise, especially for water network infrastructure, a large portion of the portfolio is located underground and may only be inspected on an irregular basis.

26. Related parties

(a) Parent entities

The ultimate parent entity within the Group is Griffith University, an entity constituted under the *Griffith University Act 1998 (QLD)*.

(b) Subsidiaries

Interests in subsidiaries are set out below:

Name of Entity	Country of Incorporation	2020	2019
		%	%
International WaterCentre Pty Ltd	Australia	100	100
Griffith Innovation Centre Ltd	Australia	100	100

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 18.

(d) Transactions with related parties

	2020	2019
	\$'000	\$'000
Revenue		
Sale of goods and services	162	352
Scholarships provided by subsidiary	283	150
	445	502
Expenditure		
Grants and funding	(2,430)	(397)
Tuition fees collected for subsidiary	(772)	(957)
	(3,202)	(1,354)

The transactions with the above related party, International WaterCentre Pty Ltd (IWC), were conducted as arm's length arrangements and within standard commercial terms. Any revenue outstanding at 31 December 2020 was written off by Griffith University.

Following a decision to wind up IWC and continue delivering its programs through the University, operations transitioned to the University in 2020. The entity will be formally wound up in early 2021.

(e) Transactions with related parties of key management personnel

Transactions with entities related to key management personnel occur on terms and conditions which are no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-related entities on an arm's length basis.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

27. Acquittal of Australian Government financial assistance

27.1 Education – CGS and other Education grants

	Commonwealth Grant Scheme ^{#1}		Indigenous Student Success Program		Higher Education Participation and Partnership Program	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	286,031	281,209	3,563	3,480	5,171	4,927
Net adjustments	(4,636)	(1,386)	-	-	-	-
Revenue and income for the period	281,395	279,823	3,563	3,480	5,171	4,927
Surplus from the previous year	-	-	214	204	247	35
Total revenue and income including accrued revenue	281,395	279,823	3,777	3,684	5,418	4,962
Less expenses including accrued expenses	281,395	279,823	3,009	3,470	5,312	4,715
Surplus for reporting period	-	-	768	214	106	247

^{#1} Includes the basic CGS grant amount, CGS-Regional loading, CGS-Enabling Loading, CGS – Medical student Loading, and CGS – Special Advances from Future Years.

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

27. Acquittal of Australian Government financial assistance (continued)

27.1 Education – CGS and other Education grants (continued)

	Disability Performance Funding ^{#2}		Promotion of Excellence in Learning and Teaching		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)	481	527	(7)	-	295,239	290,143
Net adjustments	-	-	-	-	(4,636)	(1,386)
Revenue and income for the period	481	527	(7)	-	290,603	288,757
(Deficit)/surplus from the previous year	(611)	(504)	190	254	40	(11)
Total revenue and income including accrued revenue	(130)	23	183	254	290,643	288,746
Less expenses including accrued expenses	480	634	87	64	290,283	288,706
(Deficit)/surplus for reporting period	(610)	(611)	96	190	360	40

^{#2} Disability Performance Funding includes Additional Support for Students with Disabilities and Australia Disability Clearinghouse on Education and Training.

Financial statements

for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

27. Acquitment of Australian Government financial assistance (continued)

27.2 Higher Education Loan Programs (excl OS-HELP)

	HECS-HELP (Australian Government payments only)		FEE-HELP		SA-HELP		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Cash payable at beginning of year	5,646	(1,568)	485	539	291	204	6,422	(825)
Financial assistance received in cash during the reporting period	206,649	209,621	37,773	34,543	4,584	4,911	249,006	249,075
Cash available-for-period	212,295	208,053	38,258	35,082	4,875	5,115	255,428	248,250
Revenue and income earned ^{#3}	207,480	202,407	38,976	34,597	4,767	4,824	251,223	241,828
Cash payable / (receivable) at end of year	4,815	5,646	(718)	485	108	291	4,205	6,422

^{#3} The 2019 amounts exclude the cumulative effect of initially applying AASB15 as an adjustment to the opening balance of retained earnings: HECS-HELP of \$7.2m, FEE-HELP of \$0.6m and SA-HELP of \$0.1m.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

27. Acquittal of Australian Government financial assistance (continued)

27.3 Department of Education and Training Research

	Research Training Program		Research Support Program		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	24,663	23,906	16,764	17,194	41,427	41,100
Net adjustments	-	-	-	-	-	-
Revenue for the period	24,663	23,906	16,764	17,194	41,427	41,100
Surplus from the previous year	60	524	139	379	199	903
Total revenue including accrued revenue	24,723	24,430	16,903	17,573	41,626	42,003
Less expenses including accrued expenses	24,723	24,370	16,903	17,434	41,626	41,804
Surplus for reporting period	-	60	-	139	-	199

27.4 Total Higher Education Provider Research Training Program expenditure^{#4}

	Total domestic students \$'000	Total overseas students \$'000
Research Training Program Fees offsets	15,297	1,612
Research Training Program Stipends	7,069	745
Research Training Program Allowances	-	-
Total for all types of support	22,366	2,357

^{#4} Please refer to the Commonwealth Scholarship Guidelines for expenditure definitions for the Research Training Program.

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

27. Acquittal of Australian Government financial assistance (continued)

27.5 Australian Research Council Grants

	Discovery		Linkages		Special Research Initiatives		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	8,886	9,872	3,791	3,245	87	-	12,764	13,117
Net adjustments	(2,021)	763	(815)	(13)	(87)	-	(2,923)	750
Revenue for the period	6,865	10,635	2,976	3,232	-	-	9,841	13,867
Surplus from the previous year	6,412	5,907	2,561	1,998	-	-	8,973	7,905
Total revenue including accrued revenue	13,277	16,542	5,537	5,230	-	-	18,814	21,772
Less expenses including accrued expenses	8,020	10,130	2,014	2,669	-	-	10,034	12,799
Surplus for reporting period	5,257	6,412	3,523	2,561	-	-	8,780	8,973

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for the year ended 31 December 2020

Notes to the financial statements for the financial year ended 31 December 2020

27. Acquittal of Australian Government financial assistance (continued)

27.6 OS-HELP

Cash received during the reporting period
Cash spent during the reporting period
Net cash received
Cash surplus from the previous period
Cash surplus for reporting period

2020	2019
\$'000	\$'000
6,532	4,474
(529)	(4,386)
6,003	88
1,786	1,698
7,789	1,786

27.7 Student Services and Amenities Fee

Notes

Unspent revenue from previous period
SA-HELP Revenue Earned^{#5}
Student Services and Amenities Fees direct from Students
Total revenue expendable in period
Student Services expenses during period
Unspent Student Services Revenue

2.1
2.3

2020	2019
\$'000	\$'000
755	149
4,767	4,824
3,208	3,468
8,730	8,441
7,096	7,686
1,634	755

^{#5} The 2019 amount excludes the cumulative effect of initially applying AASB15 as an adjustment to the opening balance of retained earnings for SA-HELP of \$0.1 million.

Financial statements

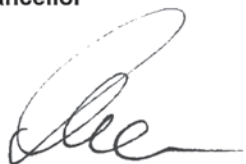
for the year ended 31 December 2020

GRIFFITH UNIVERSITY CERTIFICATE

- (a) These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019*, division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:
- (i) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects;
 - (ii) the financial statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of Griffith University for the financial year ended 31 December 2020 and of the financial position of the University at the end of that year; and
 - (iii) these assertions are based on an appropriate system of internal controls and risk management processes being effective, in all material respects, with respect to financial reporting throughout the reporting period.
 - (iv) at the time of the certificate, there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due.
- (b) The financial statements conform with the Financial Statement Guidelines for Higher Education Providers for the 2020 Reporting Period issued by the Australian Government Department of Education, Skills and Employment and we certify that in our opinion:
- (i) the amount of Australian Government financial assistance expended during the year was for the purposes for which it was intended and Griffith University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure; and
 - (ii) Griffith University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.



HENRY SMERDON, AM
Chancellor



PROFESSOR CAROLYN EVANS
Vice Chancellor and President



MICHELLE CLARKE
Chief Financial Officer

22 February 2021

Financial statements

for the year ended 31 December 2020

INDEPENDENT AUDITOR'S REPORT

To the Council of Griffith University

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Griffith University.

In my opinion, the financial report:

- a) gives a true and fair view of the entity's financial position as at 31 December 2020, and its financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards.

The financial report comprises the statement of financial position as at 31 December 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the certificate given by the Chancellor, Vice-Chancellor and President, and Chief Financial Officer.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of the entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Financial statements

for the year ended 31 December 2020

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of specialised buildings (\$1.8 billion)—Note 9

Key audit matter	How my audit addressed the key audit matter
<p>Specialised buildings were material to Griffith University at balance date and were measured at fair value using the current replacement cost method. The University performs comprehensive revaluation of all of its buildings every three years, or whenever a material variation is expected to have occurred, with desktop valuations conducted in the intervening period. A comprehensive valuation was conducted in 2018 by a valuation specialist.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> gross replacement cost, less accumulated depreciation. <p>The University derived the gross replacement cost of its buildings at balance date through using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> identifying the components of buildings with separately identifiable replacement costs developing a unit rate for each of these components, including: <ul style="list-style-type: none"> estimating the current cost for a modern substitute (including locality factors and on-costs), expressed as a rate per unit (e.g. \$/square metre) identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference. <p>The measurement of accumulated depreciation involved significant judgements for forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p>	<p>My audit procedures included, but were not limited to:</p> <p>In a previous year when a comprehensive valuation was conducted:</p> <ul style="list-style-type: none"> assessing the competence, capability and objectivity of the valuation specialist assessing the adequacy of management's review of the valuation process obtaining an understanding of the methodology used and assessing the design, integrity and appropriateness using common industry practices on a sample basis, evaluating the relevance, completeness, and accuracy of source data used to derive unit rates for the: <ul style="list-style-type: none"> modern substitute adjustment for excess quality or obsolescence. <p>In the current year when indexation was applied:</p> <ul style="list-style-type: none"> evaluating the reasonableness of the indices used against other publicly available information about movements in values for replacement costs of similar assets assessing the ongoing reasonableness of the asset useful lives by: <ul style="list-style-type: none"> reviewing management's annual assessment of useful lives assessing the appropriateness of useful lives where assets were disposed of prior to the end of their useful lives reviewing assets with an inconsistent relationship between condition and remaining life performing reasonableness tests to confirm depreciation is calculated in accordance with the University's accounting policies and industry standards.

Financial statements

for the year ended 31 December 2020

Other information

Other information comprises the information included in Griffith University's annual report for the year ended 31 December 2020 but does not include the financial report and my auditor's report thereon.

Those charged with governance are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

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

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

I have nothing to report in this regard.

Responsibilities of the entity for the financial report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards, and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The Council is also responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the entity or to otherwise cease operations.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Financial statements

for the year ended 31 December 2020

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. This is not done for the purpose of expressing an opinion on the effectiveness of the entity's internal control, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the entity.
- Conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Council, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 31 December 2020:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Financial statements

for the year ended 31 December 2020

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the entity's transactions and account balances to enable the preparation of a true and fair financial report.



Bhavik Deoji
as delegate of the Auditor-General

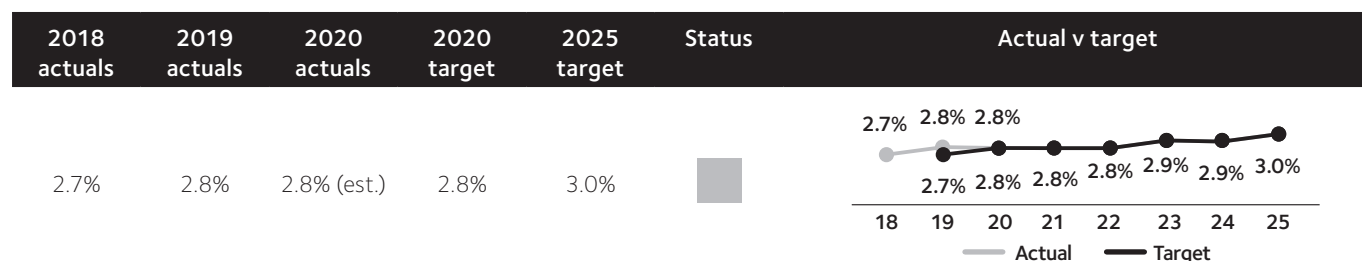
23 February 2021

Queensland Audit Office
Brisbane

Appendix 1: Indicators and targets

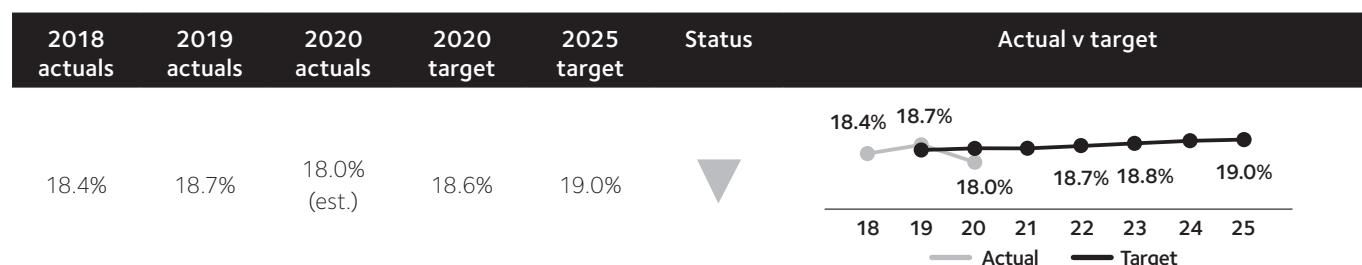
▼ = Below target ■ = On target ▲ = Above target ● = Data not yet available

First Peoples participation



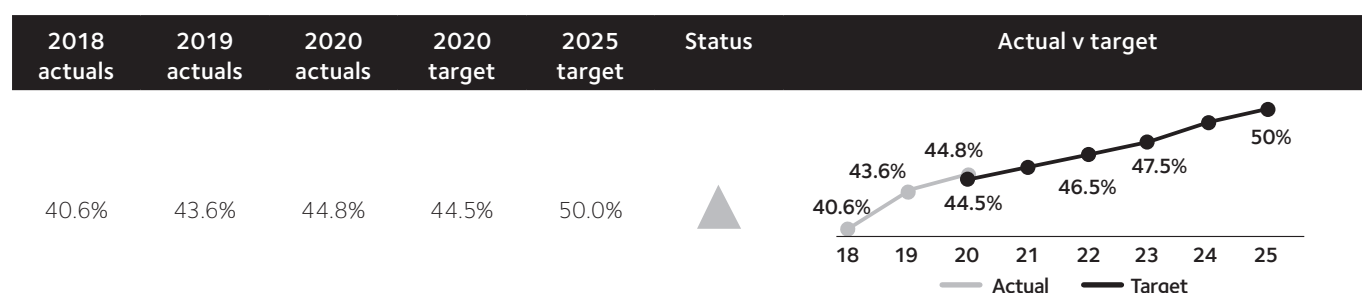
Comment: 2020 data preliminary only. Official 2020 national outcomes will be released approx. October 2021.

Low SES participation



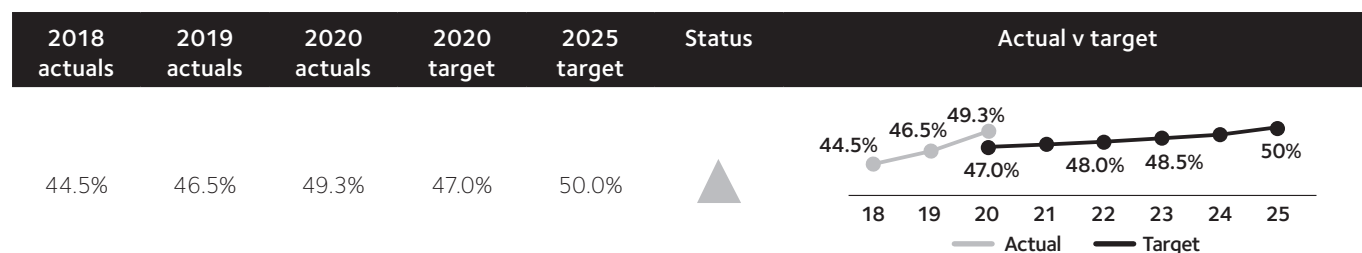
Comment: While continuing enrolments remained steady, the number of commencing low SES students dropped most significantly at Logan, Nathan and Mount Gravatt. Other campuses were less impacted, with online offerings showing an increase in low SES student uptake.

Equal representation of female staff at academic Level D&E



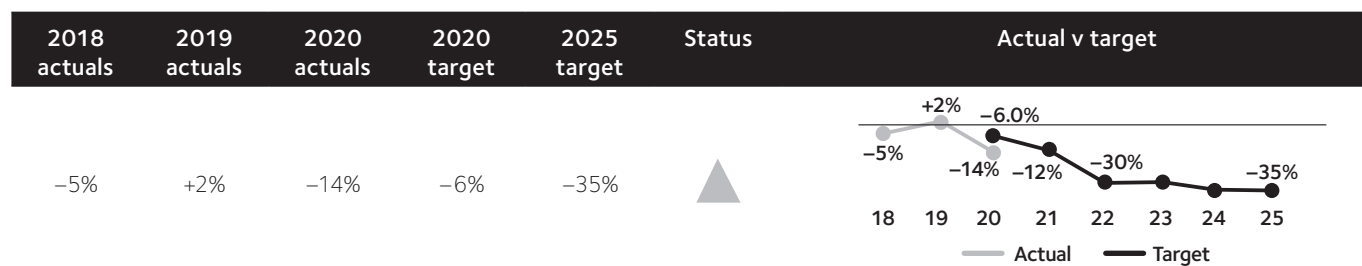
Comment: 2020 data as at 31 March census date.

Equal representation of female professional staff at HEW Level 10 and above



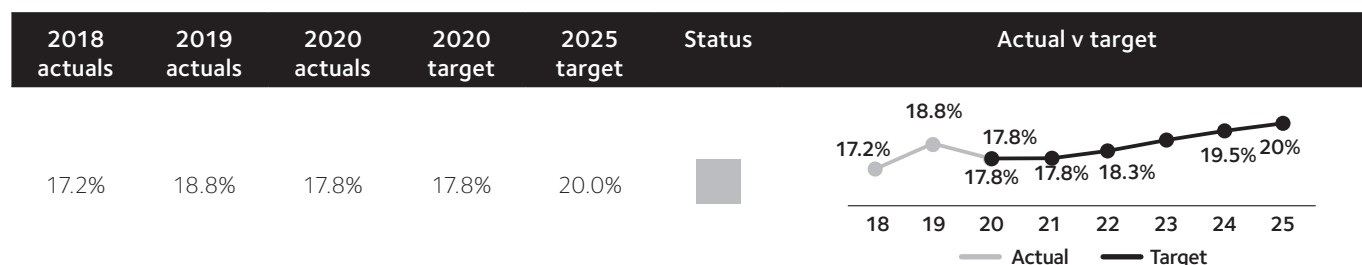
Comment: 2020 data as at 31 March census date.

Carbon emission reduction relative to 2010 baseline



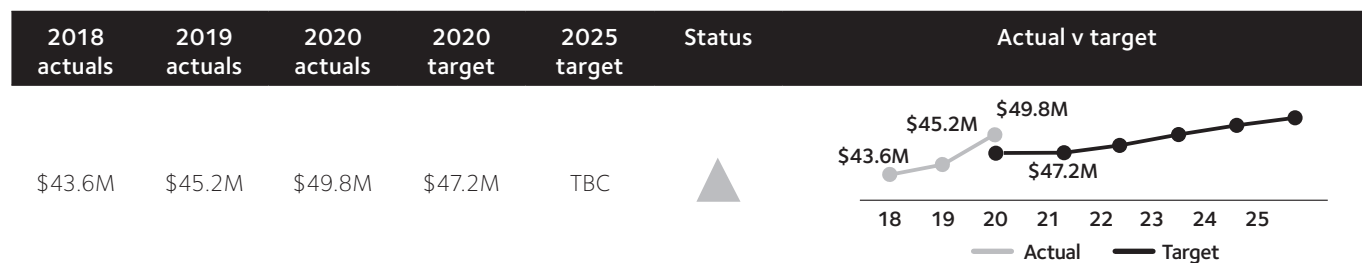
Comment: Carbon emissions are tracked using a July to June reporting period. Final outcomes are available in October of each year.

Domestic student demand



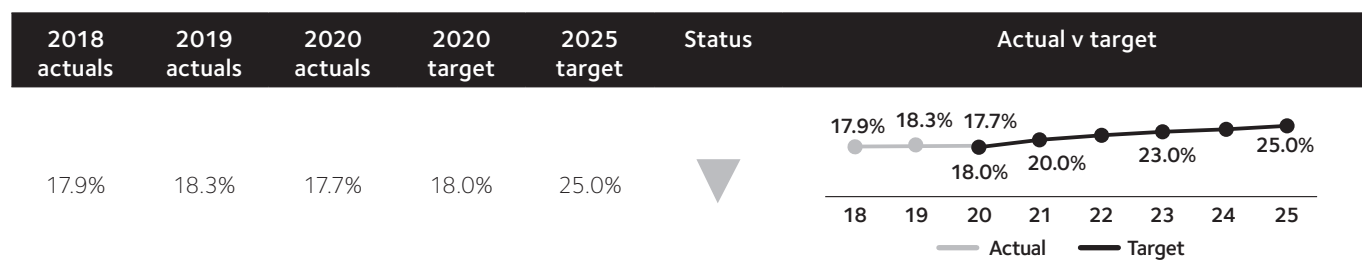
Comment: Represents the market share of QTAC students accepting offers to Griffith with an ATAR of 80 and above.

Domestic FPPG and other student demand



Comment: 2021–2025 targets to be confirmed.

International student representation, reflected as a % of international student load relative to total student load

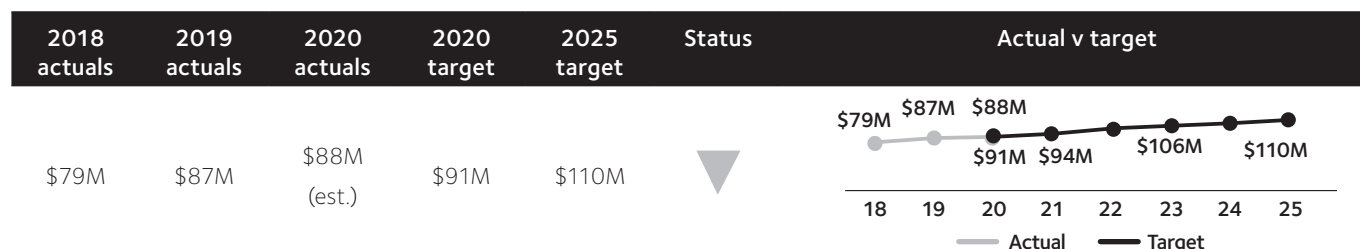


Comment: COVID restrictions greatly reduced international travel during the year, and although considerable mitigating measures were enacted 2020 saw significant detrimental impact on student commencements.

Indicators and targets

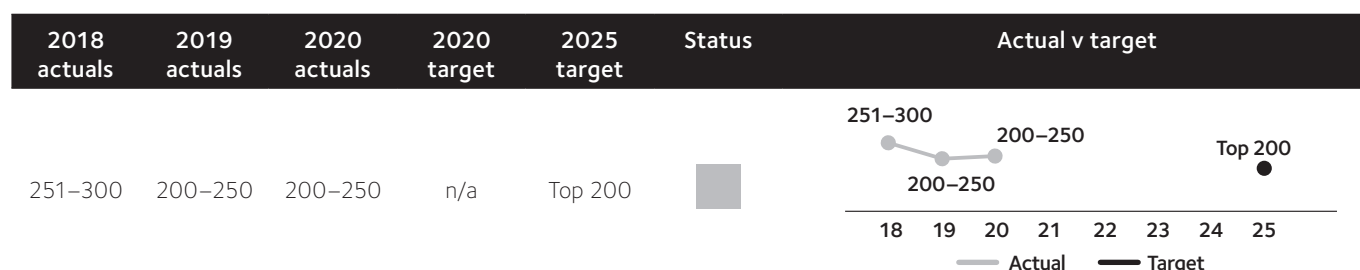
▼ = Below target ■ = On target ▲ = Above target ● = Data not yet available

External research income as reported in the annual Australian Government Higher Education Research Data Collection (HERDC)



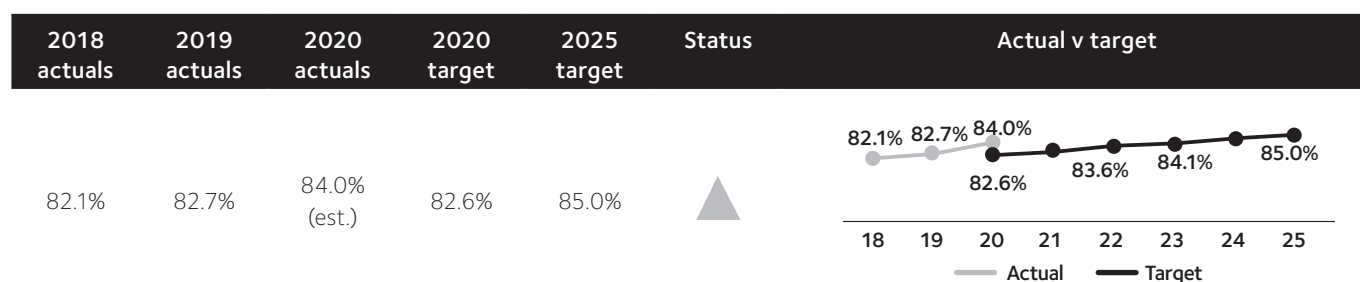
Comment: 2020 outcomes remain preliminary at time of publishing, with income to be audited and finalised by 30 June 2021. HERDC specifications have removed the requirement to adopt the new revenue accounting standards at this stage.

THE World University Rankings



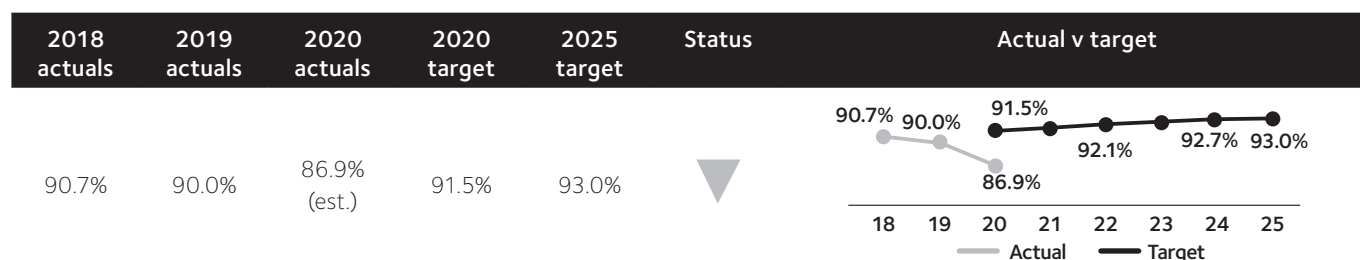
Comment: The University remains on track to achieve its 2025 target. Outcomes are announced in September of each year.

Domestic retention



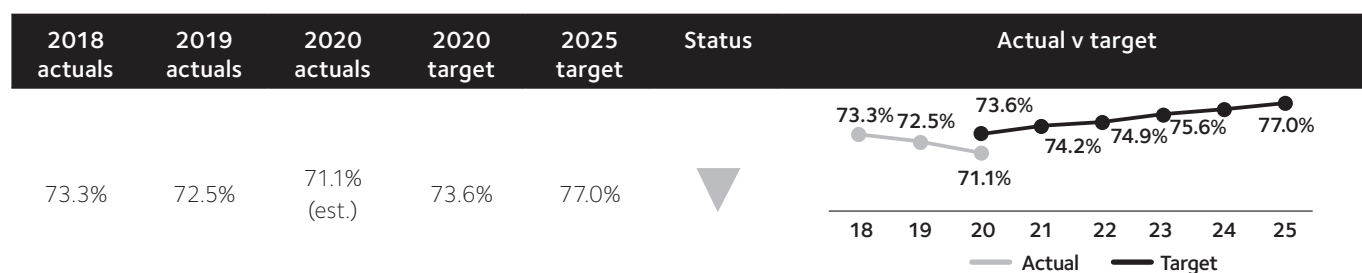
Comment: Full year 2020 outcomes track re-enrolment of 2019 bachelor commencing students into 2020. Official 2020 national outcomes will be released approx. October 2021.

International retention



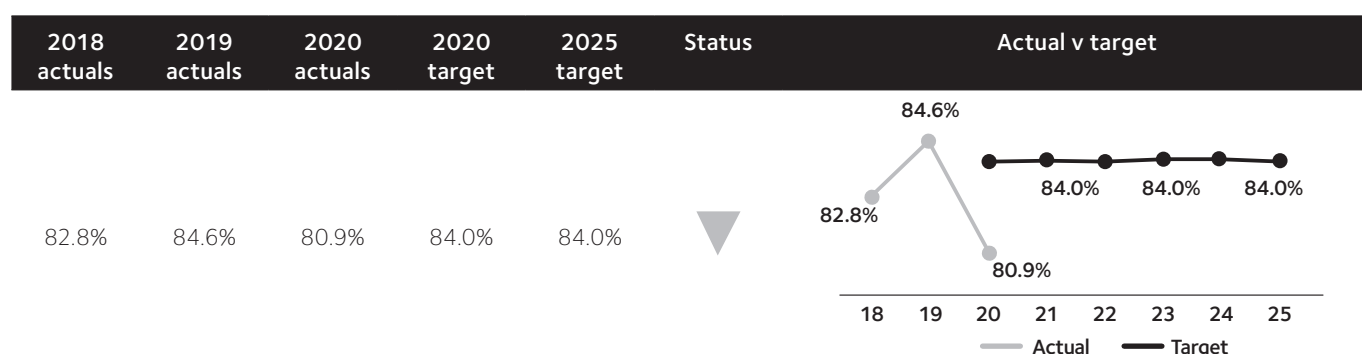
Comment: Full year 2020 outcomes track re-enrolment of 2019 bachelor commencing students into 2020. Official 2020 national outcomes will be released approx. October 2021.

Indigenous retention



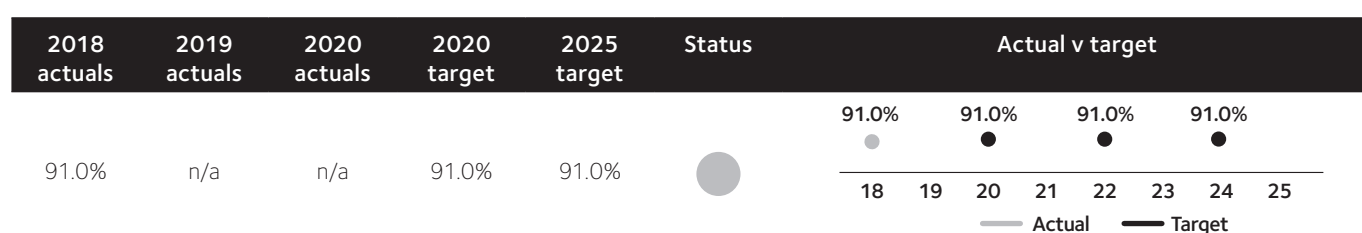
Comment: AEL and Health host the largest number of Indigenous students within Griffith, with Health disciplines in particular experiencing retention challenges during 2020. The First Peoples Health Unit continues to complement GUMURRII activities in supporting Indigenous student success. Official 2020 national outcomes will be released approx. October 2021.

Domestic student experience



Comment: The Student Experience Survey (SES) is administered to current students in August of each year. Target is subject to change (being the top quartile) and remains at the 2019 benchmark pending release of 2020 national data (approx.. April 2021). It is anticipated that these results will reflect a decline in the student experience across the wider sector.

International student experience

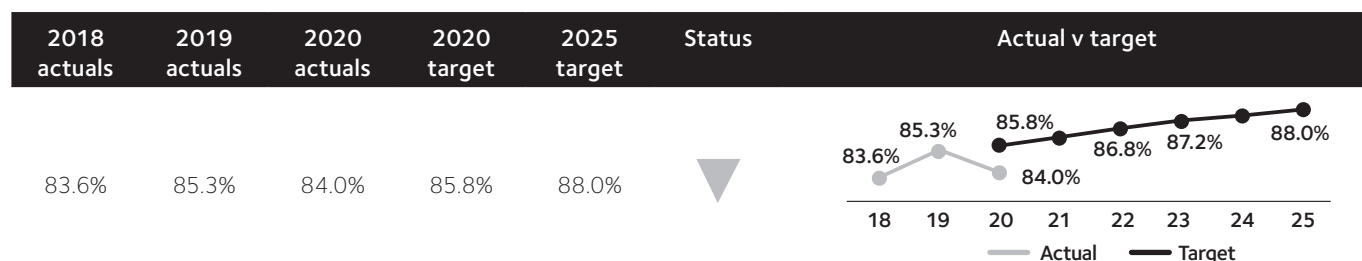


Comment: The International Student Barometer (ISB) is normally administered every two years, however the survey was not conducted during 2020. It is expected to re-commence in 2021.

Indicators and targets

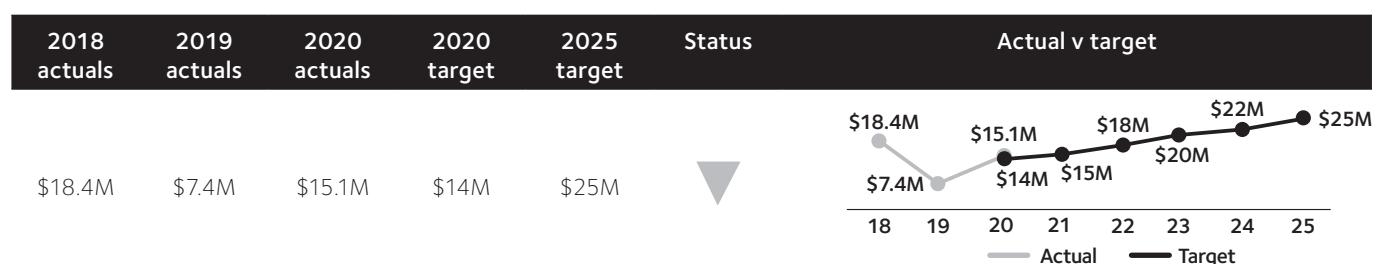
▼ = Below target ■ = On target ▲ = Above target ● = Data not yet available

Graduate employment



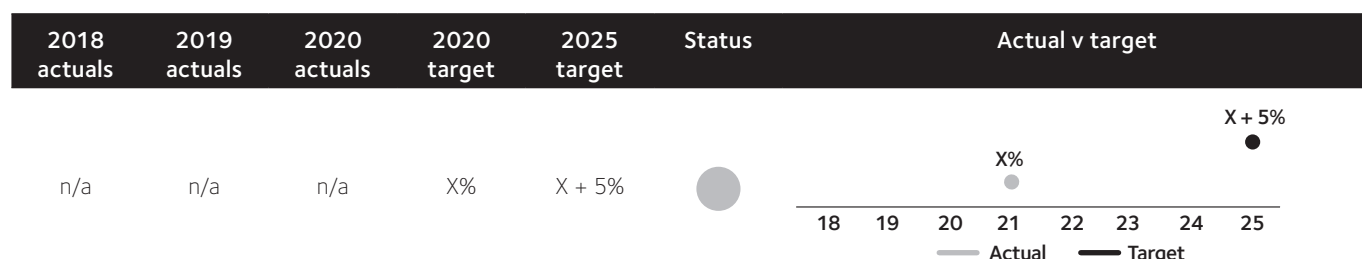
Comment: The 2020 Graduate Outcomes Survey (GOS) was administered to 2019 graduates in November 2019 (mid-year graduates) and May 2020 (end-of-year graduates). Students surveyed in May comprise the majority of responses, with outcomes capturing the challenging employment conditions at the time.

Philanthropic income



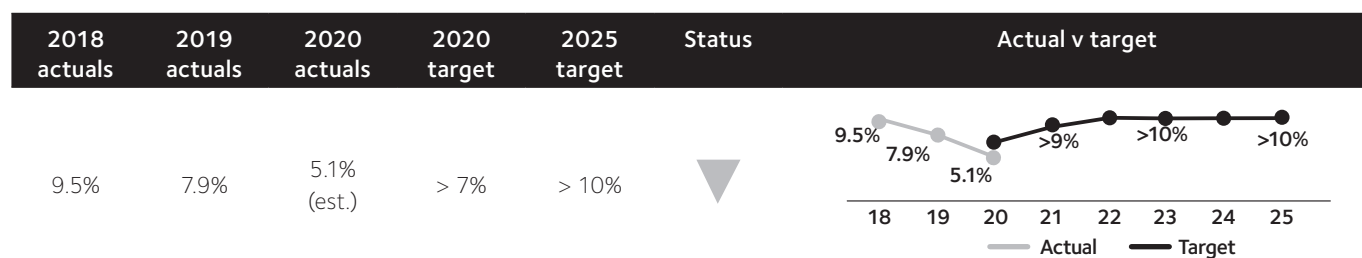
Comment: Philanthropic income is defined as the quantum of donations and bequests recognised as Philanthropic Secured Funds within the year.

Staff satisfaction and engagement



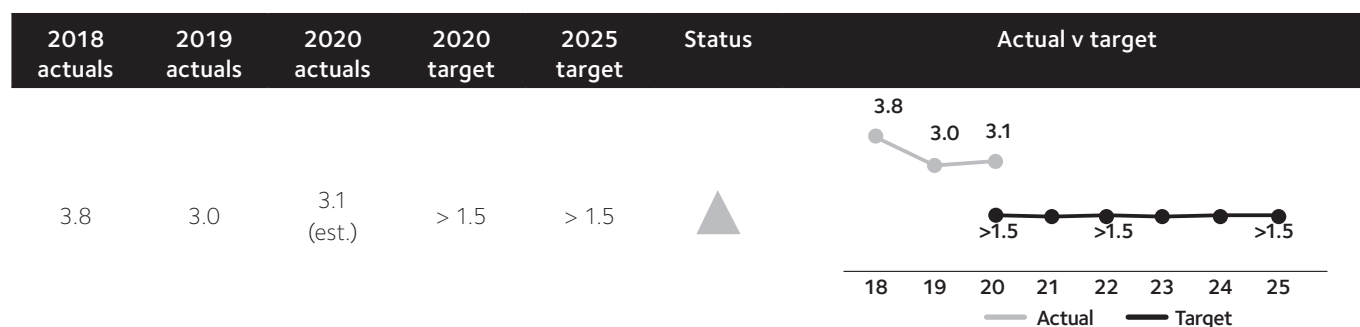
Comment: Target to be set after the inaugural survey is completed in 2021.

Actual EBITDA



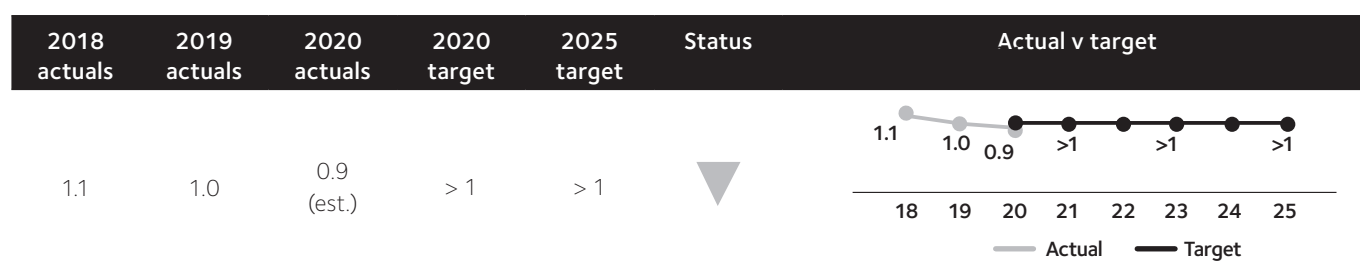
Comment: 2020 data is preliminary at time of publishing.

Liquidity



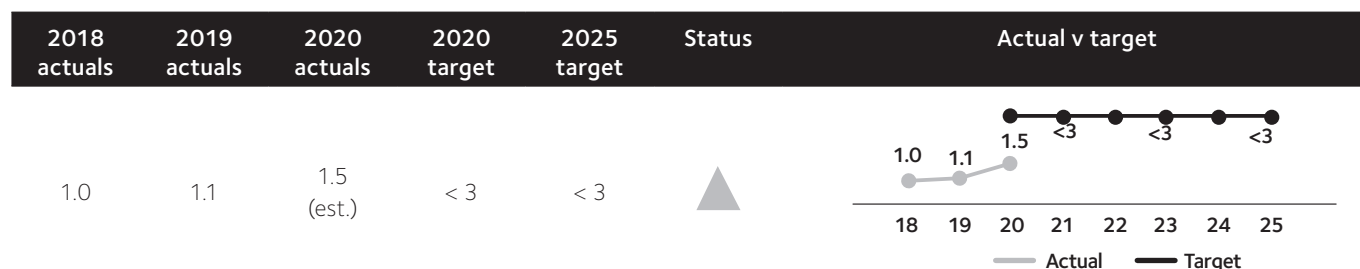
Comment: 2020 data is preliminary at time of publishing.

Asset sustainability



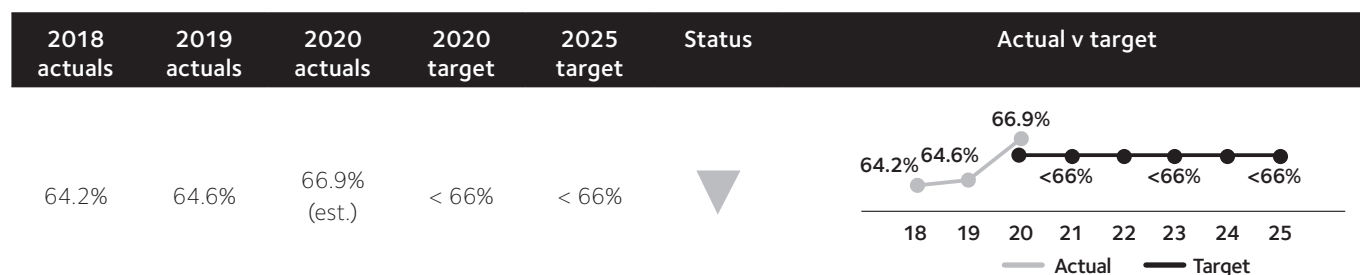
Comment: 2020 data is preliminary at time of publishing.

Debt to EBITDA



Comment: 2020 data is preliminary at time of publishing.

Employee expenses



Comment: 2020 data is preliminary at time of publishing.

Appendix 2: Griffith University enrolments

		2018	2019	2020
Total enrolments		48,037	49,595	49,943
Academic Career	Bachelor degree	35,811	36,635	36,633
	Higher degree coursework	6,327	7,383	7,791
	Higher degree research	1,914	1,839	1,792
	Other postgraduate	2,213	2,069	2,458
	Other	1,772	1,669	1,269
Attendance type	Full-time	34,752	35,991	36,035
	Part-time	13,285	13,604	14,804
Campus	Gold Coast Campus	19,596	20,073	20,138
	Logan Campus	1,891	1,841	1,683
	Mount Gravatt Campus	3,608	3,830	3,865
	Nathan Campus	12,338	12,542	11,974
	South Bank Campus	3,195	3,338	3,273
	Off Shore	794	721	681
	Online	5,304	5,956	6,931
	Other Campus	1,310	1,294	1,398
Citizenship	Domestic	39,485	40,576	41,499
	International	8,552	9,019	8,444
Enrolment type	Commencing	20,068	20,608	19,710
	Continuing	27,969	28,987	30,233
Gender	Female	28,356	29,407	30,001
	Male	19,612	20,079	19,759
	Other	69	109	183
Group	Arts, Education and Law	13,701	14,380	14,675
	Griffith Business School	11,408	11,076	10,521
	Griffith Health	13,629	14,790	15,303
	Griffith Sciences	7,596	7,996	8,181
	Other	1,703	1,353	1,263

The decline in commencing international students during the year was partially offset by an increased number of continuing overseas enrolments. Strong domestic student demand allowed overall 2019 enrolment numbers to be maintained into 2020.

While postgraduate coursework enrolments improved, the number of higher degree by research candidates fell during the year. Overall undergraduate enrolments remained steady, with the Griffith Business School most impacted by the reduced overseas commencing cohort.

Part-time study again grew at the expense of full-time, and enrolments in online program offerings improved by 16%. Females continue to comprise just over 60% of the student population, with Nursing, Criminology and Criminal Justice, Business, and Education disciplines hosting the largest number of female students.

Glossary

3MT®	Three-minute Thesis competition	HDR	Higher Degree by Research
AAUT	Awards for Australian University Teaching	HEA	Higher Education Academy
ACIAR	Australian Centre for International Agricultural Research	HEPPP	Higher Education Participation and Partnerships Program
ACOLA	Australian Council of Learned Academies	HERDC	Higher Education Research Data Collection
AFR	Australian Financial Review	IAR	Information Asset Register
AIEC	Australian International Education Conference	IRU	Indigenous Research Unit
AM	Member of the Order of Australia	KPI	Key Performance Indicator
AO	Officer of the Order of Australia	LIEF	Linkage Infrastructure, Equipment and Facilities
ARC	Australian Research Council	MBA	Master of Business Administration
ARCHE	Australian Research Centre for Human Evolution	MD	Doctor of Medicine
ASSBI	Australasian Society for Study of Brain Impairment	NHMRC	National Health and Medical Research Council
CCC	Crime and Corruption Commission	OAM	Medal of the Order of Australia
CERFS	Coastal Engineering Research Field Station	OUA	Open Universities Australia
CQD	Centre for Quantum Dynamics	PhD	Doctor of Philosophy
CRC	Cooperative Research Centre	QAO	Queensland Audit Office
CYO	Create Your Own	QCS	Queensland Corrective Services
DAP	Disability Action Plan	QILT	Quality Indicators for Learning and Teaching
DUniv	Doctor of the University (Honorary)	QMNC	Queensland Micro and Nanotechnology Centre
EAL	English as an additional language	QS	Queensland World University Rankings Since 2004, Quacquarelli Symonds Limited has produced world university rankings for students and academics
EBITDA	Earnings Before Interest Tax Depreciation and Amortisation	RICF	Research Infrastructure Co-Investment Fund
EFTSL	Equivalent Full-time Student Load	TEQSA	Tertiary Education Quality and Standards Agency
EI	Engagement and Impact assessment	WIL	Work-integrated learning
ERA	Excellence in Research for Australia		
FTE	Full-time Equivalent		
GGRS	Griffith Graduate Research School		
GOS	Graduate Outcomes Survey		
GSC	Griffith Sports College		
GUMURRII	Griffith University Murri and Islander Student Support Unit		

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