

Note 30 continued

(B) Interest Rate Risk Exposure

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate by maturity periods is set out in the following table. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the consolidated entity intends to hold fixed rate assets and liabilities to maturity.

2005	Floating interest rate	1 Year or less	over 1 year to 2 years	Over 2 years to 3 years	Over 3 years to 4 years	Over 4 years to 5 years	Over 5 years	Non interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets									
Cash and cash equivalents	16,462	-	-	-	-	-	-	-	16,462
Receivables	-	-	-	-	-	-	-	1,404	1,404
Shares - public company	-	-	-	-	-	-	-	20	20
	<u>16,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,424</u>	<u>17,886</u>
Weighted average interest rate	5.91%								
Financial Liabilities									
Trade and other creditors	-	-	-	-	-	-	-	2,187	2,187
Other loans - QTC loans	-	1,487	1,533	1,623	1,720	1,822	12,055	-	20,242
	<u>-</u>	<u>1,487</u>	<u>1,533</u>	<u>1,623</u>	<u>1,720</u>	<u>1,822</u>	<u>12,055</u>	<u>2,187</u>	<u>22,429</u>
Weighted average interest rate		5.69%	5.76%	5.76%	5.76%	5.76%	5.76%		
Net financial assets(liabilities)	<u>16,462</u>	<u>(1,487)</u>	<u>(1,533)</u>	<u>(1,623)</u>	<u>(1,720)</u>	<u>(1,822)</u>	<u>(12,055)</u>	<u>(763)</u>	<u>(4,543)</u>
2004									
	Floating interest rate	1 Year or less	over 1 year to 2 years	Over 2 years to 3 years	Over 3 years to 4 years	Over 4 years to 5 years	Over 5 years	Non interest bearing	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets									
Cash and cash equivalents	1,510	-	-	-	-	-	-	-	1,510
Receivables	-	-	-	-	-	-	-	400	400
Shares - public company	-	-	-	-	-	-	-	20	20
	<u>1,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>420</u>	<u>1,930</u>
Weighted average interest rate	3.30%	5.53%							
Financial Liabilities									
Trade and other creditors	-	-	-	-	-	-	-	776	776
Other loans - QTC loans	-	856	900	954	1,011	1,072	1,410	-	6,203
	<u>-</u>	<u>856</u>	<u>900</u>	<u>954</u>	<u>1,011</u>	<u>1,072</u>	<u>1,410</u>	<u>776</u>	<u>6,979</u>
Weighted average interest rate		5.69%	5.69%	5.69%	5.69%	5.69%	5.69%		
Net financial assets(liabilities)	<u>1,510</u>	<u>(856)</u>	<u>(900)</u>	<u>(954)</u>	<u>(1,011)</u>	<u>(1,072)</u>	<u>(1,410)</u>	<u>(356)</u>	<u>(5,049)</u>

(C) Fair Value of Financial Assets and Liabilities

The net fair values of cash and cash equivalents are carried at cost.

The net fair values of receivables are carried at nominal amounts due less any provision for doubtful debts.

For unlisted securities where there is no organised financial market the net fair value has been carried at cost.

The net fair values of payables are carried at nominal amounts to be paid in the future for goods and services received.

The interest bearing financial liabilities are carried at the principal amount.

Note 31 Explanation of the transition to Australian equivalents to IFRSs

(1) Reconciliation of equity reported under previous Australian Generally Accepted Accounting Principles (AGAAP) to equity under Australian equivalents to IFRS (AIFRS)

At the end of the last reporting period under AGAAP: 31 December 2004

Notes	Previous AGAAP	Consolidated Effect of Transition to AIFRS	AIFRS	Previous AGAAP	Parent entity Effect of Transition to AIFRS	AIFRS
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS						
Current assets						
Cash and cash equivalents	305	1,205	1,510	127	1,205	1,332
Receivables	400	-	400	493	-	493
Other financial assets	1,862	(1,225)	637	1,862	(1,225)	637
Total current assets	2,567	(20)	2,547	2,482	(20)	2,462
Non-current assets						
Receivables	-	-	-	11	-	11
Property, plant and equipment	73,360	-	73,360	73,309	-	73,309
Other Financial Assets	-	20	20	-	20	20
Total non-current assets	73,360	20	73,380	73,320	20	73,340
Total assets	75,927	-	75,927	75,802	-	75,802
LIABILITIES						
Current liabilities						
Payables	776	-	776	749	-	749
Interest bearing liabilities	856	-	856	856	-	856
Accrued employee benefits	1,419	816	2,235	1,405	816	2,221
Other liabilities	1,118	-	1,118	1,118	-	1,118
Total current liabilities	4,169	816	4,985	4,128	816	4,944
Non-current liabilities						
Interest bearing liabilities	5,347	-	5,347	5,347	-	5,347
Accrued employee benefits	1,199	(343)	856	1,196	(343)	853
Total non-current liabilities	6,546	(343)	6,203	6,543	(343)	6,200
Total liabilities	10,715	474	11,189	10,671	474	11,144
Net assets	65,212	(474)	64,738	65,131	(474)	64,658
EQUITY						
Reserves	12,093	-	12,093	12,093	-	12,093
Retained surplus	53,119	(474)	52,645	53,038	(474)	52,565
Total equity	65,212	(474)	64,738	65,131	(474)	64,658

Note 31 Explanation of the transition to Australian equivalents to IFRSs

(2) Reconciliation of profit for the year ended 31 December 2004 continued

Notes	Consolidated			Parent entity		
	Previous AGAAP	Effect of Transition to AIFRS	AIFRS	Previous AGAAP	Effect of Transition to AIFRS	AIFRS
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue from continuing operations						
Australian Government financial assistance						
Australian Government grants	18,583	-	18,583	18,583	-	18,583
HECS-HELP- Australian Government payments	9,444	-	9,444	9,444	-	9,444
FEE-HELP	369	-	369	369	-	369
State Government financial assistance	227	-	227	103	-	103
HECS-HELP- Student payments	1,217	-	1,217	1,217	-	1,217
Fees and charges	8,215	-	8,215	8,054	-	8,054
Investment income	159	-	159	154	-	154
Royalties, trademarks and licences	5	-	5	5	-	5
Consultancy and contract research	679	-	679	677	-	677
Other revenue	2,491	-	2,491	2,463	-	2,463
Total revenue from continuing operations	41,389	-	41,389	41,069	-	41,069
Expenses from continuing operations						
Employee benefits and on costs	25,126	474	25,600	24,913	474	25,387
Depreciation & amortisation	4,373	-	4,373	4,364	-	4,364
Repairs and maintenance	2,193	-	2,193	2,178	-	2,178
Borrowing costs	400	-	400	400	-	400
Bad and doubtful debts	36	-	36	36	-	36
Other expenses	10,358	-	10,358	10,314	-	10,314
Total expenses from continuing operations	42,486	474	42,960	42,205	474	42,679
Operating result before income tax	(1,097)	(474)	(1,571)	(1,136)	(474)	(1,610)
Income tax expense	-	-	-	-	-	-
Operating result from continuing operations	(1,097)	(474)	(1,571)	(1,136)	(474)	(1,610)
Operating result from discontinued operations	-	-	-	-	-	-
Net operating result for the year	(1,097)	(474)	(1,571)	(1,136)	(474)	(1,610)
Net operating result attributable to members of the University of the Sunshine Coast	(1,097)	(474)	(1,571)	(1,136)	(474)	(1,610)

Note 31 Explanation of the transition to Australian equivalents to IFRSs (continued)

(3) Reconciliation of cash flow statement for the year ended 31 December 2004

The adoption of AIFRSs has not resulted in any material adjustments to the cash flow statement.

(4) Notes to the reconciliations

(a) Non-Current Assets

In compliance with Queensland Government "Non-Current Asset Policies of the Queensland Public Sector", the asset recognition threshold has been amended from \$2,000 to \$5,000. This resulted in \$1,331 million being written off.

A review of capitalised assets resulted in the following asset classifications which required writing off. As per paragraph 11 AASB1, these adjustments are to be shown against retained surplus.

Assets written off at written down value were valued at:

Computing Equipment	1,040
Other Plant & Equipment	291
Total	1,331

(b) Annual Leave Provision

AASB119 requires short term employee benefits (annual leave and long service leave) to be recognised as a liability. Further, AASB119 (paragraph 128) requires employee benefits which are not going to be paid within 12 months to be recognised as a non-current liability at its present value.

As at 1 January 2004 the effect of the restatement resulted in the provision being increased by \$274,342. Retained surplus at that date were reduced by that amount.

(c) Long Service Leave Provision

AASB119 requires short term employee benefits (annual leave and long service leave) to be recognised as a liability. Further, AASB119 (paragraph 128) requires employee benefits which are not going to be paid within 12 months to be recognised as a non-current liability at its present value.

As at 1 January 2004 the effect of the restatement resulted in the provision being increased by \$374,006. Retained surplus at that date were reduced by that amount. Recognised at that date was the reclassification of the definition regarding long service leave between non-current and current in accordance with the principles of AIFRS. This had no financial effect and was merely a transfer between provisions for employee benefits.

(d) Retained Surplus

The movements in retained earnings are outlined in Note 23.

Note 32 Acquittal of Australian Government financial assistance
32.1 DEST - CGS and Other DEST Grants

Notes	Parent entity (HEP) ONLY												Total	
	Commonwealth Grants Scheme		Indigenous Support Fund		Equity Programmes		Workplace Reform Programme		CGS Advance from Future Years		Capital Development Pool			
	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000		2005 \$'000
	19,343	13,130	98	-	295	100	282	471	-	2,000	2,094	1,716	22,112	17,417
2(a) (e)	19,343	13,130	98	-	295	100	282	471	-	2,000	2,094	1,716	22,112	17,417
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the programmes)	19,343	13,130	98	-	295	100	282	471	-	2,000	2,094	1,716	22,112	17,417
Less expenses including accrued expenses	19,343	13,130	98	-	295	100	282	471	-	2,000	2,094	1,716	22,112	17,417
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenue for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) from previous year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue including accrued revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(deficit) for reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note 32 Acquittal of Australian Government financial assistance (continued)

32.2 Higher Education Loan Programmes

		Parent entity (HEP) ONLY					
		HECS-HELP (Australian Government payments only)		FEE-HELP		Total	
Notes	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	2005 \$'000	2004 \$'000	
		11,670	9,444	553	369	12,223	9,813
	Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the programmes)						
	Net accrual adjustments	-	-	-	-	-	-
	Revenue for the period	11,670	9,444	553	369	12,223	9,813
2(b)	Surplus/(deficit) from previous year	-	-	-	-	-	-
	Total revenue including accrued revenue	11,670	9,444	553	369	12,223	9,813
	Less expenses including accrued expenses	11,670	9,444	553	369	12,223	9,813
	Surplus/(deficit) for reporting period	-	-	-	-	-	-

Note 32 Acquittal of Australian Government financial assistance (Cont'd)
32.3 Scholarships

Note	Parent entity (HEP) ONLY											
	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Costs Scholarships		Commonwealth Accommodation Scholarships		Indigenous Staff Scholarships		Totals	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	36	58	16	-	157	40	359	176	32	-	600	274
	-	-	-	-	-	-	-	-	-	-	-	-
	36	58	16	-	157	40	359	176	32	-	600	274
	11	19	-	-	1	-	34	-	-	-	46	19
	47	77	16	-	158	40	393	176	32	-	646	293
	47	66	16	-	158	39	393	142	32	-	646	247
	-	11	-	-	-	1	-	34	-	-	-	46

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

Note 32 Acquittal of Australian Government financial assistance (Cont'd)

32.4 DEST Research

Parent entity (HEP) ONLY

	Institutional Grants Scheme		Research Training Scheme		Research Infrastructure Block Grants		Totals	
	2005	2004	2005	2004	2005	2004	2005	2004
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Notes								
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the programmes)	186	126	696	522	72	39	954	687
Net accrual adjustments	-	-	-	-	-	-	-	-
Revenue for the period	186	126	696	522	72	39	954	687
Surplus/(deficit) from previous year	-	-	-	-	-	-	-	-
Total revenue including accrued revenue	186	126	696	522	72	39	954	687
Less expenses including accrued expenses	186	126	696	522	72	39	954	687
Surplus/(deficit) for reporting period	-	-	-	-	-	-	-	-