

The Hon Rob Valentine MLC
Legislative Council of Tasmania
Parliament of Tasmania
Hobart TAS 7000

By email: jenny.mannering@parliament.tas.gov.au

Dear the Hon. Rob Valentine MLC

Thank you for the opportunity for the University to provide additional information to the Committee to inform your consideration of the terms of reference of the inquiry into the provisions of the University of Tasmania Act 1992.

Please find attached the responses to your correspondence regarding Questions 7 and 12 of the Questions on Notice provided to the University on 07 July 2023.

If you have any questions regarding this content, please contact the Office of the Vice-Chancellor via Vice.Chancellor@utas.edu.au.

We look forward to receiving the Committee's recommendation report in due course.

Yours sincerely



Professor Rufus Black
Vice-Chancellor

28 July 2023

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Q7. The Committee requests you please provide a timeline demonstrating when the University Council passed decisions regarding the campus move from Sandy Bay to the CBD.

Please find below a timeline of decisions made by the University of Tasmania Council regarding the move from Sandy Bay to CBD.

The minutes for these meetings are available on our website via the link below, these include the whole of the southern business case published under the 2019 section.
<https://www.utas.edu.au/about/campuses/southern-transformation/building-our-hobart-university-presence-since-2007>










A timeline of decision made by the University of Tasmania Council relating to the move to a 'City Centric Campus' model.

March 2017	August 2017	September 2017	August 2018	April 2019
<p>University Council approved:</p> <ul style="list-style-type: none"> - the guiding principles, as amended, and the proposed process for developing a strategy and master plan for Southern Campus Infrastructure. 	<p>University Council approved:</p> <ul style="list-style-type: none"> - further planning to be undertaken around the viability of the option to relocate to a Hobart CBD campus to enable an informed decision to be made about the future of the southern campus and the critical nature of the STEM project. 	<p>University Council approved:</p> <ul style="list-style-type: none"> - the development of a masterplan business case including a detailed financial and socio-economic analysis (including realistic alternative) for a Hobart CBD campus and the future use of the Sandy Bay campus, so an informed decision can be made about the future of the southern campus. 	<p>University Council approved:</p> <ul style="list-style-type: none"> - the Southern Infrastructure Plan engagement strategy to be undertaken internally and externally 	<p>University Council approved:</p> <ul style="list-style-type: none"> - the business case which supports the 'City-Centric Campus' model as a basis for the future development of the University's Southern Campuses.

Planning

Approval

SOUTHERN TIMELINE OF KEY BUILT ENVIRONMENT, GOVERNANCE AND ENGAGEMENT MILESTONES AND ACTIVITIES

	CHANCELLOR	VICE-CHANCELLOR	BUILT ENVIRONMENT MILESTONES	GOVERNANCE MILESTONES	COMMUNITY AND ENGAGEMENT KEY ACTIVITIES
<p>This period reflects significant Federal and State investment to provide teaching, medical and research infrastructure in the Hobart CBD, through funding such as the Teaching and Learning Capital Fund and Education Infrastructure Fund.</p>	2007 2008 2009 2010	Damian Bugg (2006 - 2012)	 Ownership of Domain House returns to UTAS	 	 Self-guided sessions for staff and students We have a decision to make about our place Exhibition Southern Future Studio Theatre, Sandy Bay campus
<p>With a substantial portion of the University already in the City and an aged Sandy Bay campus, the Council needed to make a decision about the long-term future of the Southern Campus.</p> <p>In 2019 it weighed whether to complete the consolidation of the University in the City or develop a multi-campus model with contemporary facilities on Sandy Bay while re-purposing the many buildings that would no longer be required.</p>	2019 2020	Peter Rathjen	Purchase of K&D Site, Melville Street and Site 9, Argyle Street  Purchase of the Philip Smith Building, Domain Opening of the Hedberg, Campbell and Collins Streets UTAS Fountainside Accommodation made available to Public Health to support the COVID response	University Council approved business case supporting the 'City-Centric Campus' model (April) Incorporation of UPPL as per ASIC Certificate of Registration (10 October) Rates equivalency agreement with City of Hobart (December) Southern Transformation projects paused during COVID	 Main Street Community Priorities Report (street poll conducted by Complete Streets on public spaces in the city) (February) Preliminary Urban Design Framework Consultation Spaces, Sandy Bay campus Community Lounge and Hobart Apartments Foyer (May – July) Sandy Bay Engagement 1 (21 July – 22 August) Sandy Bay Engagement 2 (13 September – 2 October) Sandy Bay Engagement 3 (18 October – 31 October) Sandy Bay Engagement 4 (17 November – 1 December)
<p>Forestry construction commenced (12 January) Opening of Hobart City Student Hub, Service Centre (12 January) Opening of Hobart City Student Hub Study & Event space (13 February) Opening of COBE Experimental Economics Lab (14 February) IMAS Taroona DA approved (6 March) Opening of COBE Research Hub in MidCity (April)</p>	2023	Rufus Black	Opening of Multi-Sports Facility, K&D Site (February) Forestry DA approved (26 April) COBE Student Lounge at KPMG completed (July) COBE staff move to City Campus (October – December) Philip Smith Centre restoration commenced (December)	 Submission of intent to withdraw Sandy Bay PSA-21-3 as per UPPL CEO letter to Hobart City Council CEO (7 November)	 

Q12. Please provide further detail regarding who the UPPL reports to, where the UPPL business activity is reported (i.e. is it separated out in the Annual Report) and a breakdown of the cost/income etc for each year since its inception.

As referred to in the University submission to the Legislative Council, Submission 113, Part 10 – Managing the University’s long-term financial sustainability – P8 “Discretion and autonomy to manage assets”, paragraph 3:

‘Optimising our existing and soon-to-be surplus assets represents one of the most effective ways that we can achieve financial stability in the longer term. If we can do this innovatively and at the right scale, we can insulate the University against these very present and longstanding challenges, to benefit current and future generations of Tasmanians. To achieve this, the University has formed a small specialist team and established UTAS Properties Pty Ltd, a separate wholly owned subsidiary to manage these efforts.’

As referred to by the Vice-Chancellor in the hearings on the 4th of May 2023, UPPL reports to the University Council as a wholly owned subsidiary. The UTAS Properties Pty Ltd (UPPL) was approved for establishment by the University of Tasmania Council in April of 2019. In October of the same year, Council delegated authority to the Vice-Chancellor to take the necessary steps, including signature of legal documents to establish the new entity for the purpose of managing the University’s surplus property assets, subject to appropriate legal and financial advice. UPPL was subsequently registered as a subsidiary with ASIC on 10 October 2019 and as a charity with ACNC on 13 December 2019.

Since its incorporation the minutes of UPPL board meetings have been provided to Council on 10 occasions. In addition, the Chair and CEO of UPPL attended Council for relevant items and discussions as required. UPPL’s Membership Rules requires both Board and Council approval for all Reserved Matters (i.e. key business activities). The Board is required to manage the company and currently configured as follows:

- The Vice-Chancellor
- University General Counsel (UPPL Secretary)
- One further Council member
- 3 Independent Members

UPPL’s Annual Reports are audited and are separated out from the University’s annual reports as a wholly owned subsidiary. The Annual Financial Statements for UPPL as at 31 December 2022 are included below and are published on the ACNC website (<https://www.acnc.gov.au/charity/charities/de03a112-a505-ea11-a811-000d3ad1ce4e/profile>). Whilst established in 2019, UPPL did not trade until 2021 and so the report below covers the operating period of 2021 and 2022 only.



UTAS
properties
PTY LTD

UTAS PROPERTIES PTY LTD
ABN 61 636 735 834

Annual Financial Statements as at 31 December 2022

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UTAS Properties Pty Ltd

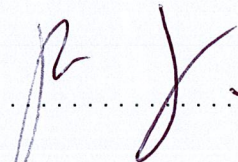
**Directors' Declaration
for the period ended 31 December 2022**

In the opinion of the Directors of UTAS Properties Pty Ltd:

- The financial statements present a true and fair view of the financial position of the entity and of their performance, as represented by the results of their operations and their cash flows, for the year ended on that date, and comply with Australian Accounting Standards, and the Australian Charities and Not-for-profits Commission Act 2012.

In addition, at the date of signing I am not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

Signed in accordance with a resolution of the Board.



.....

Paul Gregg
Chairman
Board of Directors

15 February 2023

UTAS PROPERTIES PTY LTD
 INCOME STATEMENT
 for the year ended 31 December 2022

	Notes	2022 \$'000	2021 \$'000
REVENUE AND INCOME			
Revenue from services rendered		2,551	39
Total revenue and income from continuing operations		2,551	39
Fair value on the transfer of IP addresses from parent		9,906	-
Total revenue and income	2	12,457	39
EXPENSES			
Employee related expenses	3	1,507	1,023
Depreciation	4	19	19
Other expenses	5	2,454	3,523
Total expenses		3,980	4,565
Net result for the period		8,477	(4,526)
Items that will not be reclassified to profit or loss			
Fair value increment on revaluation of non current assets		56	-
Total comprehensive income		8,533	(4,526)

This statement should be read in conjunction with the accompanying notes.

UTAS PROPERTIES PTY LTD
STATEMENT OF FINANCIAL POSITION
as at 31 December 2022

	Notes	2022 \$'000	2021 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	3,421	-
Receivables	7	202	33
Total current assets		3,623	33
NON-CURRENT ASSETS			
Property, plant and equipment	8	399	362
Intangibles	9	-	-
Total non-current assets		399	362
Total assets		4,022	395
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	15	544
Borrowings	11	-	4,298
Provisions	12	-	79
Total current liabilities		15	4,921
Total liabilities		15	4,921
Net assets		4,007	(4,526)
EQUITY			
Contributed equity	13	-	-
Asset revaluation reserve	13	56	-
Retained earnings	13	3,951	(4,526)
Total equity		4,007	(4,526)

This statement should be read in conjunction with the accompanying notes.

UTAS PROPERTIES PTY LTD
 STATEMENT OF CHANGES IN EQUITY
 for the year ended 31 December 2022

	Retained earnings \$'000	Contributed equity \$'000	Asset revaluation reserve \$'000	Total \$'000
Balance as at 1 January 2022	(4,526)	-	-	(4,526)
Net result	8,477	-	-	8,477
Fair value increment on revaluation of non current assets	-	-	56	56
Contributed equity from parent	-	-	-	-
Balance as at 31 December 2022	3,951	-	56	4,007
Balance as at 1 January 2021	-	-	-	-
Net result	(4,526)	-	-	(4,526)
Contributed equity from parent	-	-	-	-
Balance as at 31 December 2021	(4,526)	-	-	(4,526)

This statement should be read in conjunction with the accompanying notes.

UTAS PROPERTIES PTY LTD
STATEMENT OF CASH FLOWS
for the year ended 31 December 2022

	Notes	2022 \$'000 Inflows (Outflows)	2021 \$'000 Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from revenue (inclusive of GST)		13,533	6
Payments to suppliers and employees (inclusive of GST)		(5,814)	(3,923)
Net cash inflow/(outflow) from operating activities	14(b)	7,719	(3,917)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		-	(381)
Net cash inflow/(outflow) from investing activities		-	(381)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from parent entity		-	4,298
Payments to parent entity		(4,298)	-
Net cash inflow/(outflow) from financing activities	11	(4,298)	4,298
Net increase/(decrease) in cash held		3,421	-
Cash and cash equivalents at beginning of reporting period		-	-
Cash and cash equivalents at end of reporting period	6	3,421	-

This statement should be read in conjunction with the accompanying notes.

UTAS PROPERTIES PTY LTD

Notes to the financial statements for the period ended 31 December 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

UTAS Properties Pty Ltd was established on 10 October 2019 as a wholly owned subsidiary of the University of Tasmania ("the Parent Entity"). The registered address of UTAS Properties Pty Ltd is 2 Churchill Avenue Sandy Bay, Tasmania, Australia, 7005.

(a) Financial Reporting Framework

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported unless otherwise stated. UTAS Properties Pty Ltd is not a reporting entity because in the opinion of the directors there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, these special purpose financial statements have been prepared to satisfy the directors' reporting requirements under the Audit Act 2008. For the purposes of preparing the financial statements, UTAS Properties Pty Ltd is a not-for-profit entity.

(b) Basis of preparation

The financial statements have been prepared on an accruals basis, on the basis that UTAS Properties Pty Ltd is a going concern, and in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, the recognition and measurement requirements specified by Australian Accounting Standards and Interpretations, and the disclosure requirements of the following Accounting Standards:

AASB 101	Presentation of Financial Statements
AASB 107	Statement of Cash Flows
AASB 108	Accounting Policies, Changes in Accounting Estimates and Errors
AASB 1048	Interpretation of Standards
AASB 1054	Australian Additional Disclosures

(c) Date of authorisation for issue

The financial statements were authorised for issue by UTAS Properties Pty Ltd on 15th February 2023.

(d) Historical cost convention

The financial statements are prepared under the historical cost convention except for land and buildings which are measured at fair value.

(e) Critical accounting estimates

The preparation of the financial statements in conformity with Australian Accounting Standards requires making certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The one area requiring a degree of judgement relates to the fair value of land and buildings (Note 8).

(f) Consolidation

Consolidated financial statements are not required as at 31 December 2022.

(g) Tax status

Income tax

UTAS Properties Pty Ltd does not provide for Australian income tax as it is exempt from income tax in accordance with the provisions of Division 50 of the *Income Tax Assessment Act 1997*.

Fringe benefits tax

UTAS Properties Pty Ltd is liable to pay fringe benefits tax, and this is included in the Income Statement.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receipts from revenue are included in the Statement of Cash Flows on a gross basis where applicable.

(h) Rounding of amounts

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

(i) Comparative amounts

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) New accounting standards and interpretations

Accounting standards adopted

In the current year, the following new and revised accounting standards and interpretations issued by the Australian Accounting Standards Board have become effective for the current reporting period. They had no material impact on the financial statements of UTAS Properties Pty Ltd.

AASB 2020-3

Amendments to Australian Accounting Standards - Annual Improvements 2018-2020 and Other Amendments
(Application date: 1 January 2025)

AASB 2022-2

Amendments to Australian Accounting Standards - Extending Transition Relief under AASB1
(Application date: 1 January 2022)

AASB 2021-3

Amendments to Australian Accounting Standards - Covid-19 -Related Rent Concessions beyond 30 June 2021
(Application date: 1 January 2022)

Future pronouncements

The following standards, amendments and interpretations have been issued and available for early adoption but have not been applied for the 31 December 2022 reporting period:

AASB 2014-10

Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
(Application date: 1 January 2025)

AASB 2020-1

Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current
(Application date: 1 January 2023)

AASB 2021-2

Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates (Application date: 1 January 2023)

AASB 2022-1

Amendments to Australian Accounting Standards - Initial application of AASB17 and AASB9 - Comparative Information
(Application date: 1 January 2023)

AASB 2022-3

Amendments to Australian Accounting Standards - Illustrative Examples for Not-for-Profit
(Application date: 1 January 2023)

AASB2022-5

Lease Liabilities in a Sale and Leaseback
(Application date: 1 January 2024)

UTAS PROPERTIES PTY LTD

Notes to the financial statements for the period ended 31 December 2022 (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**(k) Change in accounting policy**

There has been a change in accounting policy for the reporting year ended 31st December 2022 in respect of cash and cash equivalents. All receipts and payments for UTAS Properties Pty Ltd are managed and administered through the company's parent entity, the University of Tasmania. In prior reporting years, the cash balance relating to UTAS Properties Ltd has been shown in the Statement of Financial Position as either funds receivable or loan from parent, as applicable. The reason for this change is to give a more accurate picture of the entity's cash position, the associated cash flows and the equity contribution from the parent. The prior year comparatives have been adjusted to reflect this change in accounting policy, as follows:

	As previously reported \$'000	Adjustment \$'000	2021 Re- stated \$'000
<u>Note 11 - Borrowings</u>			
Loan from parent - UTAS	4,298	-4,298	0
Overdraft with parent	-	4,298	4,298

UTAS PROPERTIES PTY LTD**Notes to the financial statements for the period ended 31 December 2022 (continued)**

	Notes	2022 \$'000	2021 \$'000
2 REVENUE AND INCOME			
Revenue from services rendered		2,551	39
Fair value adjustment on transfer of IP addresses from parent	9	9,906	-
Total revenue and income		12,457	39

Accounting policy

UTAS Properties Pty Ltd manages commercial properties on behalf of the University of Tasmania and receives revenue as compensation for the services rendered. Revenue is recognised as the service is consumed by the customer.

Income from the sale of assets is recognised when the assets or goods are delivered to the customer.

3. EMPLOYEE RELATED EXPENSES

Salary costs (including annual and long service leave)	1,267	898
Superannuation	143	73
Payroll tax	93	50
Workers compensation	4	2
Total employee related expenses	1,507	1,023

Accounting policy

One employee was directly employed by UTAS Properties Pty Ltd for part of the year ending 31 December 2022, other employee expenses represent the costs of employees of the parent entity undertaking the activities of UTAS Properties Pty Ltd. As at 31 December 2022, there were no employees directly employed by UTAS Properties Pty Ltd.

Refer to Note 12 for accounting policies.

4. DEPRECIATION

Property, plant and equipment	19	19
Total depreciation	19	19

Accounting policy

Refer to Note 8 for accounting policies.

UTAS PROPERTIES PTY LTD

Notes to the financial statements for the period ended 31 December 2022 (continued)

Notes	2022 \$'000	2021 \$'000
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5. OTHER EXPENSES

Board director fees & expenses	473	290
Building repairs and maintenance	131	-
Property and building operating costs	33	-
Training and staff development	16	14
Professional and advisory services	1,744	3,189
Other expenses	57	30
Total other expenses	2,454	3,523

Accounting policy

Other expenses are recognised on an accruals basis.

6. CASH AND CASH EQUIVALENTS

Cash held with parent	3,421	-
Total current cash and cash equivalents	3,421	-

Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the year as shown in the Statement of Cash Flows as follows:

Balance per the Statement of Cash Flows	3,421	-
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All receipts and payments for UTAS Properties Pty Ltd are managed and administered through the company's parent entity, University of Tasmania (refer Note 14). As such, all cash balances are held with the parent entity on behalf of UTAS Properties Pty Ltd.

7. RECEIVABLES

Current

Trade receivables	202	33
Total current receivables	202	33

Accounting policy

Trade receivables are recognised at their consideration less provision for impairment. Trade receivables are non-interest bearing and typically due for settlement no more than 30 days from the date of recognition. The collection of trade receivables is reviewed on an ongoing basis. Debts known to be uncollectible are written off. A provision for impaired receivables is established where there is evidence the entity will not be able to collect all amounts due according to the original terms of the receivable. The amount of any movement in the provision is recognised in the Income Statement, with the balance of the provision recognised in the Statement of Financial Position.

UTAS PROPERTIES PTY LTD

Notes to the financial statements for the period ended 31 December 2022 (continued)

8. PROPERTY, PLANT AND EQUIPMENT

	Notes	Land \$'000	Buildings \$'000	Total \$'000
Balance as at 1 January 2022		210	152	362
Revaluation increment / (decrement)		30	26	56
Depreciation charge	4	-	(19)	(19)
Balance as at 31 December 2022		240	159	399
Balance as at 31 December 2022				
At valuation		240	217	457
Accumulated depreciation and impairment		-	(58)	(58)
Net book amount		240	159	399
Balance as at 1 January 2021		210	171	381
Depreciation charge		-	(19)	(19)
Balance as at 31 December 2021		210	152	362
Balance as at 31 December 2021				
At valuation		210	191	401
Accumulated depreciation and impairment		-	(39)	(39)
Net book amount		210	152	362

The University of Tasmania's land and buildings are independently valued at regular intervals. An independent valuation of the University's land and buildings, including all land owned by UTAS Properties Pty Ltd, was performed by Mr Simon O'Brien of Marsh Valuation Services during 2022. The valuation was performed to determine fair value in accordance with AASB 116 Property, Plant and Equipment. The fair value was determined by employing current replacement cost. Buildings depreciation is recognised on a straight line basis over the estimated remaining useful lives of the asset being seven years (2021: eight years). Land is not depreciated. Useful lives of buildings are reviewed on an annual basis.

UTAS PROPERTIES PTY LTD**Notes to the financial statements for the period ended 31 December 2022 (continued)**

	Notes	2022 \$'000	2021 \$'000
9. INTANGIBLES			
Opening net book value		-	-
Additions taken on at fair value	2	9,906	-
Disposal of intangible asset		(9,906)	-
Total intangibles		-	-

UTAS Properties Pty Ltd received Internet Protocol (IP) addresses from the parent entity during the 2022 financial year. These were recognised upon receipt at fair value based upon the subsequent sale price. As such there was no profit or loss on sale of the IP addresses.

10. TRADE AND OTHER PAYABLES**Current**

Accrued expenses	15	447
Accrued salaries and wages	-	97
Total current trade and other payables	15	544

Accounting policy

Creditors and accruals represent liabilities for goods and services provided prior to the end of the year which are unpaid. The amounts are unsecured and are recognised at cost and are normally settled within 30 days.

11. BORROWINGS**Current**

Overdraft with parent	-	4,298
Total current borrowings	-	4,298

All receipts and payments for UTAS Properties Pty Ltd are managed and administered through the company's parent entity, University of Tasmania. As such, all cash / bank overdrafts are with the parent entity.

UTAS PROPERTIES PTY LTD

Notes to the financial statements for the period ended 31 December 2022 (continued)

Notes	2022 \$'000	2021 \$'000
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12. PROVISIONS

Current

Annual leave	-	59
Long service leave	-	20
Total current provisions	-	79

Accounting policy

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

Provisions are measured at the present value of management's best estimate of expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

Employee benefits:

Wages and salaries, and sick leave

Liabilities for short-term employee benefits including wages and salaries are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other payables in respect of employees' services up to the reporting date. Sick leave entitlements provided to the employees of the consolidated entity are non-vesting and are based on a cumulative sick leave system. Costs for non-accumulating sick leave are recognised when leave is taken.

Annual leave, long service leave and superannuation

Annual leave, long service leave and superannuation for all employees are recognised as a salary expense in UTAS Properties Pty Ltd as a cost of employment as applicable. The liability for leave provision balances resides with the entity that has the employment contract with the employee. As at 31 December 2022 there were no employees with employment contracts with UTAS Properties Pty Ltd. There was one employment contract with UTAS Properties Pty Ltd as at 31 December 2021 (Note 3).

UTAS PROPERTIES PTY LTD

Notes to the financial statements for the period ended 31 December 2022 (continued)

Notes	2022 \$'000	2021 \$'000
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13. EQUITY

Asset revaluation Reserve

Balance at end of previous year	-	-
Asset revaluation increments	56	-
Total asset revaluation reserve	56	-

Retained earnings

Balance at end of previous year	(4,526)	-
Net surplus / (loss)	8,477	(4,526)
Total retained surplus	3,951	(4,526)

14. NOTE TO THE STATEMENT OF CASH FLOWS

(a) Cash and cash equivalents at end of reporting period

All receipts and payments for UTAS Properties Pty Ltd are managed and administered through the company's parent entity, University of Tasmania. As such, all cash balances are held with the parent entity.

(b) Reconciliation of net cash used in operating activities to result

Result		8,477	(4,526)
Depreciation	4	19	19
Change in Assets and Liabilities			
(Increase)/decrease in receivables	7	(169)	(33)
(Decrease)/increase in payables	10	(528)	544
(Decrease)/increase in provisions	12	(79)	79
Net cash provided or used by operating activities		7,720	(3,917)

UTAS PROPERTIES PTY LTD

Notes to the financial statements for the period ended 31 December 2022 (continued)

15. RELATED PARTIES

- (a) The Directors of UTAS Properties Pty Ltd during the year were: Mr Paul Gregg, Professor Rufus Black, Mr David Clerk (to 23 December 2022), Mr Philip Pearce, Mr Simon Bayley, Ms Sarah-Jayne Hall, Mr James Groom (to 7 February 2022) and Ms Jane Beaumont (from 7 February 2022).

Professor Rufus Black, Mr David Clerk, and Ms Jane Beaumont are employed by the Parent Entity, the University of Tasmania, and do not receive remuneration for their directorship of UTAS Properties Pty Ltd.

The total fees payable to the other Directors are disclosed in Note 5 - Other Expenses.

All transactions with members of Board of Directors or their related entities are conducted at arm's length, at normal market prices and on normal commercial terms.

- (b) UTAS Properties Pty Ltd is a wholly owned subsidiary of the University of Tasmania (UTAS). The following amounts were paid to UTAS during the financial year for use of facilities and services. Income and expenditure was incurred in the normal operations of UTAS Properties Pty Ltd and under normal commercial terms and conditions:

	2022 \$'000	2021 \$'000
Transactions with related parties		
IP addresses transferred from parent	9,906	-
Borrowings from related parties		
Overdraft with parent	-	4,298
Cash and bank		
Cash held with parent	3,421	-

16. REMUNERATION OF AUDITORS

	2022 \$'000	2021 \$'000
Audit of the financial statements		
Tasmanian Audit Office	15	-
Total remuneration for audit services	15	-

During the year the following fees were paid or payable to the Tasmanian Audit Office for the audit of the financial reports.

There were no other audit and assurance services paid or payable during the year. No audit fees were incurred in 2021 as the 2022 financial year is the first year that the Financial Statements of UTAS Properties Pty Ltd have been audited as an individual entity.

17. CONTINGENCIES

UTAS Properties Pty Ltd does not have any contingent assets or liabilities as at 31 December 2022 (2021: \$Nil).

18. COMMITMENTS

UTAS Properties Pty Ltd has no commitments as at 31 December 2022 (2021: \$Nil).

19. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

Since the end of the financial year, there have not been any events, and UTAS Properties Pty Ltd has not entered into any transactions, which require disclosure in this financial report.

