



CELEBRATING THE PACIFIC SHAPING ITS FUTURE



2018 Annual Report



About the cover:

Since opening its doors in 1968, USP's focus has been about helping its students achieve their very best from the beginning to the end of their academic journeys. Graduation is the pinnacle of university life, it is the culmination of a student's efforts and hard work, and the cover emphasises this by featuring USP graduates from the 70's next to graduates in 2018.





*An international university
serving 12 Pacific Island countries,
Cook Islands, Fiji, Kiribati, Marshall Islands, Nauru,
Niue, Samoa, Solomon Islands, Tokelau, Tonga,
Tuvalu and Vanuatu for the last 50 years.*



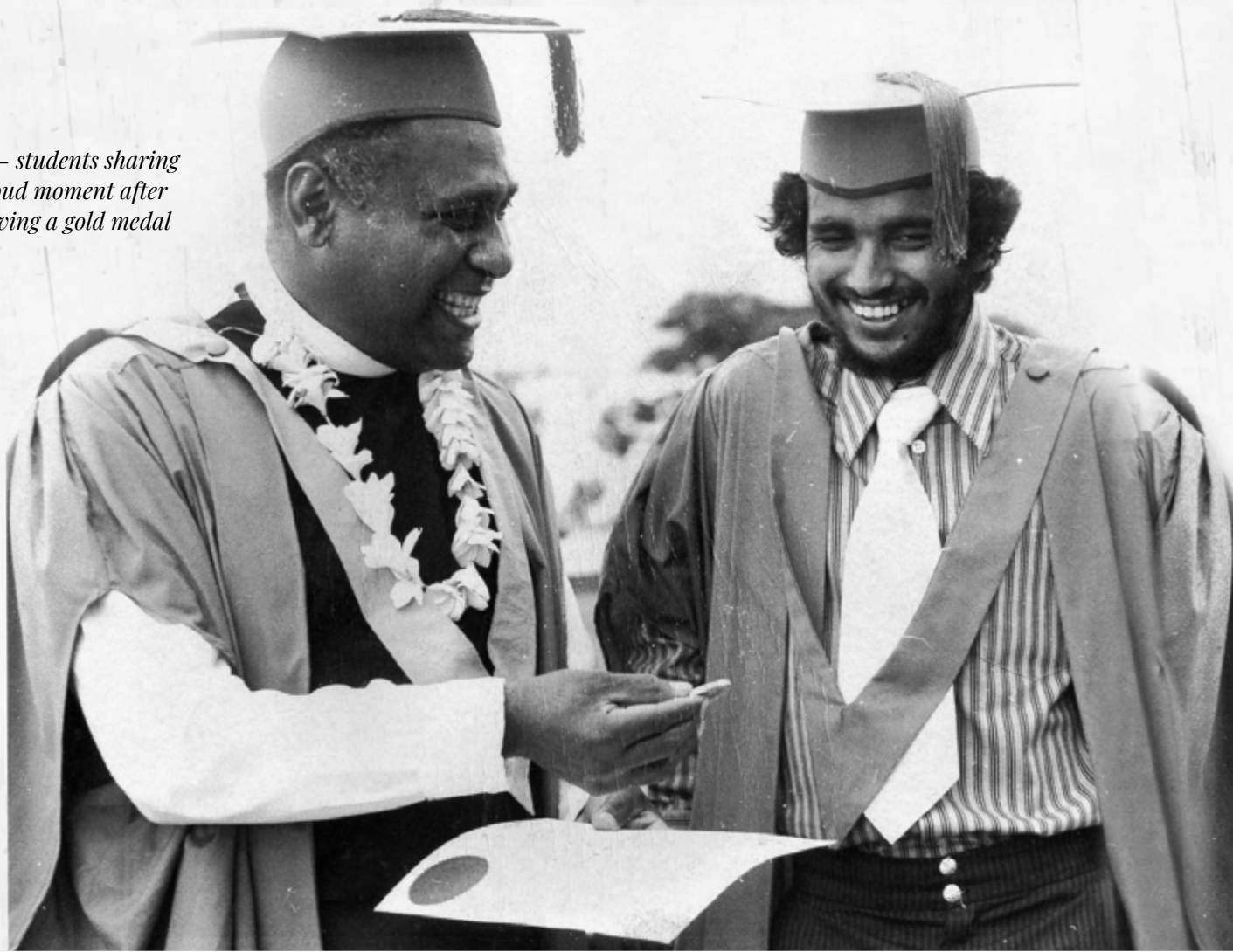
Celebrating the Pacific, Shaping its Future



Table of Contents

Mission & Purpose	4	▶ 7	Pro-Chancellor's Foreword
Vice-Chancellor and President's Report	8	▶ 9	University Governance
University Governance Structure	12	▶ 13	Principal Officers
Organisational Structure	14	▶ 15	50 th Anniversary Celebrations
Our Students, Staff and Region (Key data)	19	▶ 28	Highlights of 2018
Learning and Teaching	42	▶ 47	Student Support
Research and Internationalisation	50	▶ 54	Information and Communication Technologies
Regional and Community Engagement	57	▶ 61	Our People
Governance, Management, Leadership and Continuous Improvement	64	▶ 68	Quality Matters
Corporate Social Responsibility	72	▶ 75	Financial Overview
Financial Statements	77		

1977 - students sharing
a proud moment after
receiving a gold medal



Mission & Purpose

OUR VISION

Achieving excellence and innovation for the sustainable development of Pacific Island Countries.

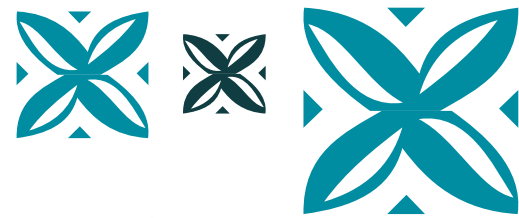
OUR MISSION

- ▶ To provide Pacific people with a comprehensive range of excellent and relevant tertiary qualifications;
- ▶ To deliver the benefits of advanced research and its applications;
- ▶ To provide communities and countries in the Pacific region with relevant, cost effective and sustainable solutions, including entrepreneurship, to their main challenges; and
- ▶ To be an exemplar of tertiary education for the Pacific Islands in quality, governance, application of technology and collaboration with national tertiary institutions.

OUR VALUES

- ▶ Commitment and loyalty of staff and students to the institution and the region;

- ▶ Highest standards of governance, leadership, academic freedom, integrity and transparency;
- ▶ Highest standards of creativity, innovation, teamwork and flexibility in the pursuit of excellence;
- ▶ Investments in staff, rewarding staff excellence, and empowerment of all The University of the South Pacific (USP) teams;
- ▶ Respect for distinctiveness and diversity in our Pacific heritage and its development, preservation and dissemination;
- ▶ Commitment to regional cooperation and integration;
- ▶ Positive and inclusive learning and living environments for student excellence;
- ▶ Support for flexible learners in all locations for success in work, life and citizenship;
- ▶ Protection and nurturing of the environment;
- ▶ Strong relationships to guide engagement with national governments, Pacific communities, and development partners; and



- ▶ Demonstrate humility in performance, learn from others, value the trust given, and honour Pacific knowledge, contexts and aspirations.

Ultimately, both the Vision and Mission of the Strategic Plan will be realised through the contribution and attributes of USP's graduates and staff.

These are the key drivers of the Strategic Plan (2013-2018).

USP GRADUATE ATTRIBUTES

USP's academic programmes will promote the development of the following attributes in all graduates:

Academic Excellence

- ▶ Extensive knowledge of a particular discipline or professional area, including relevant knowledge and skills;
- ▶ Capacity for independent critical thinking and self-directed, life-long learning;
- ▶ Advanced information and communication technology knowledge and skills; and
- ▶ Research skills.

Intellectual Curiosity and Integrity

- ▶ Deep respect for truth and intellectual integrity, and for the ethics of scholarship;

- ▶ Intellectual curiosity and creativity, openness to new ideas;
- ▶ Commitment to inter-disciplinary understanding and skills; and
- ▶ Respect for the principles, values and ethics of a chosen profession.

Capacity for Leadership and Working for Others

- ▶ Effective interpersonal communication skills;
- ▶ Leadership, organisational, teamwork and time management abilities; and
- ▶ Personal maturity and self-confidence.

Appreciation of the Cultures of the Pacific Islands

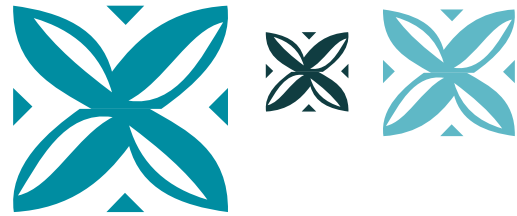
- ▶ Knowledge and appreciation of both the unity and diversity of Pacific Island cultures;
- ▶ Understanding of the diverse economies and environments of the Pacific Islands; and
- ▶ Commitment to the maintenance and strengthening of the societies of the Pacific.

Cross-cultural competencies

- ▶ An understanding and appreciation of social, cultural and linguistic diversity;



2018 - Gold Medalist and Most Outstanding PhD graduate in Management, Buriata Eti Tofinga receives her award from USP's 24th Chancellor, HE Major-General (Ret'd) Jioji Konusi Konrote, President of Fiji



- ▶ Respect for human rights and dignity in a global context;
- ▶ Commitment to accountability, ethical practice and social responsibility; and
- ▶ Demonstrated oral and written proficiency in the English language.

USP STAFF ATTRIBUTES

The commitment of USP's staff to the Vision, Mission, and Values of the University is embedded in the following attributes:

- ▶ Commitment and loyalty to the institution and its mission;
- ▶ Honesty and integrity in personal and professional interactions in the work environment, including the highest standards of academic conduct;
- ▶ A strong student-centred approach to learning and teaching;
- ▶ Highest standards of creativity, innovation, teamwork, cooperation and flexibility in the pursuit of excellence;
- ▶ Respect for the distinctiveness and diversity of our Pacific heritage and dedication towards its development, preservation and dissemination;

- ▶ A responsible attitude towards a healthy work-life balance;
- ▶ A positive and proactive stance towards customer service;
- ▶ Respectful and ethical behaviour; and
- ▶ A collegial and cooperative attitude that contributes towards building a more cohesive university community.

FROM GOOD TO EXCELLENT

In order to bring about a transformative change from good to excellent, the University will focus on the following:

People

Investment in people, leadership and change management.

Quality

An enhanced quality of teaching, learning, research and services, as measured through international accreditation of programmes.

Regional Campuses

A comprehensive and time-lined development of regional campuses with improved governance and management to bring about equitable and sustainable growth.

Postgraduate Studies

Significantly increased postgraduate enrolment, including PhD and Masters research, student success and supporting faculty.

Research

A greater impact of research, to place USP amongst the leaders in selected priority areas, including Pacific societies and cultures, oceans and marine resources.

Global Leadership

- ▶ The lead institution in Pacific Studies/Arts and Culture; and
- ▶ Amongst the leading universities in the world in
 - Information and Communications Technology (ICT) leveraged flexible learning and new pedagogies; and
 - Pacific Ocean and Marine Resources.

An Enterprising University

A university that produces students with entrepreneurial skills, as job creators, not just job seekers.

Regional Exemplar

In tertiary education and assisting national institutions where needed and appropriate.





Pro-Chancellor's Foreword

An organisation as large and complex as USP requires both a visionary Vice-Chancellor and President as its CEO and an exacting Council, with well-qualified and committed members, to provide oversight and enforce accountability. The successes of the year 2018, and the past five decades of achievement, were made possible by that winning combination of strong leadership and robust governance. As Chair of the Council, I am very proud that USP was able to achieve several substantial and concurrent strategic tasks, the most significant of which are highlighted here.

RECRUITMENT OF THE NEW VICE-CHANCELLOR AND PRESIDENT

In Professor Pal Ahluwalia, Vice-Chancellor and President we have found remarkable ambition and a determination to develop USP, through innovation, strategic research, and smart partnerships, into a globally renowned university. Professor Ahluwalia joined USP late in the year and spent two months getting to know the University to ensure a smooth transition. I am certain that Professor Ahluwalia's fresh ideas will support the achievement of our Vision of USP in 2019 and that we will all offer him our strong backing.

50th ANNIVERSARY CELEBRATIONS

I was privileged to lead the Steering Committee for USP's 50th Anniversary Celebrations. We needed to carefully communicate the impacts of USP's Pacific-focused higher education provision and the fact that USP is the premier example of Pacific regionalism, and I believe that we achieved this. The 50th Anniversary Steering Committee, with the help of many staff members, alumni, Campus Directors, and the Senior Management Team, delivered fifty unforgettable events across all the campuses.

USP CONVENTION

The USP Convention, an agreement between the University and its twelve Member Countries that is aimed at both legally embedding the University and supplementing the Royal Charter and Statutes that legally founded it, came into effect on 16 June. This resulted from the deposit of the required minimum of 6 Instruments of Ratification with the Government of Fiji.

At the 86th Council Meeting in Nauru in May, Niue signed the Convention, becoming the final Member Country to do so. Vanuatu ratified the Convention in 2018, joining the Cook Islands, Kiribati, Marshall Islands, Nauru, Samoa and Tuvalu. It is hoped that the remaining Member Countries will ratify it in 2019.



APPROVAL OF TRIENNIAL FUNDING

The University Grants Committee (UGC) considered the Triennium Submission for 2019-2021 in July and made a total of 14 commendations and 35 recommendations. The UGC commended the University for reaching its 50th Anniversary and for being a successful model for regional cooperation and engagement, as well as for the achievement of the Strategic Plan's objectives. The UGC Report was noted by the Council, which also approved USP's Annual Plan for 2019. The Ministers responsible for Finance from our Member Countries endorsed the UGC's recommendations out of session and in time for the Council meeting. This was well coordinated by Fiji's Minister for Economy, who is the Chair of the Ministers responsible for Finance of our Member Countries.

CORPORATE STRATEGY

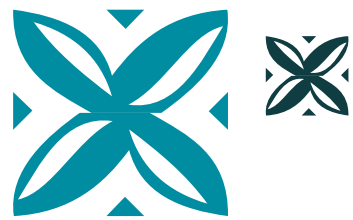
As at the end of 2018, 84% of the Strategic Plan's objectives had been achieved. This compared very well to levels of achievement at our comparator universities. Some challenges, including Human Resources, remain, but all Priority Areas made good progress over the six-year Strategic Plan period.

Throughout the year, consultations were held and drafts of the Strategic Plan 2019-2024 were prepared. The Council approved the new Strategic Plan at its November meeting. However, as Professor Ahluwalia joined USP after that approval, the Council provided him the flexibility to suggest changes and include priorities that he considers necessary. These will be considered by the November 2019 Council meeting.

CONCLUSION

Strong governance structures at USP, including the robust USP Council that sits at its helm, have made it possible for our University to grow and thrive over the past five decades. The University is fortunate to have a diverse Council comprising highly skilled and accomplished members. Their knowledge, perspectives and guidance will be an invaluable resource to the new Vice-Chancellor and President as he takes up the leadership of our great University.

Winston Thompson
Pro-Chancellor and Chair of Council



Vice-Chancellor and President's Report

I have known of USP's accomplishments for many years; however, since taking the helm of USP, I have realised that, while USP's achievements over the past five decades are deeply impressive, what is most exciting about this University is what is yet to come.

USP has an enormous amount of potential, and I am determined to see it join the ranks of the world's most respected and admired universities. The 50th Anniversary Year of 2018 generated a great deal of momentum.

The enduring legacy of 2018 is that the world now knows much more about USP's impacts and its importance to the Pacific Islands. From Member Countries and development partners to entrepreneurs and alumni, USP's stakeholders publicly expressed their deep appreciation for the education that is offered by USP and the development work that it carries out. There is tremendous public support for this University, and I will harness this goodwill to accelerate USP's growth and development and establish it amongst the ranks of the world's most innovative and sustainable universities.

I have many ideas about how best to build USP into an outstanding and sustainable institution and will be working with members of the Senior Management Team, staff, students and other stakeholders to implement these through revision to our Strategic Plan. I will also be counting on the cooperation and enthusiasm of all staff at all campuses. I will be pushing for inclusion global ranking as key to strengthening our brand and reputation, encouraging innovation to broaden our impacts and save on costs, and promoting research by staff and students as a means to attract corporate funds and bolster our reputation.

USP will also be working with industry players to secure placements, employment opportunities, sponsorship, and new facilities, and will launch new academic offerings, such as Allied Health programmes, to meet regional demands. I look forward to working collaboratively to identify additional opportunities.



While the region is aware of USP's quality, I will seek to raise international awareness of our academic and research quality to further enhance USP's brand and additional global linkages. The accreditation that USP received in July from the Western Association of Schools and Colleges Senior College and University Commission will open doors, but I see this as just a start.

I will ensure that we carefully accelerate our recruitment efforts to boost high profile staff numbers and recognise and reward our best teachers, thereby motivating others to teach more effectively. We will use technology, innovative approaches, and clever strategic planning to develop our areas of comparative strength and mitigate challenges.

I look forward to the year 2019, with the plans we have for international ranking, Regional Campuses, new academic areas such as Allied Health, incentives for quality improvements, and new cooperation with employers and industry. I hope that, as you read this Annual Report, you appreciate that the year 2018 very effectively showcased the products of USP's 50 years of service to the region.

Professor Pal Ahluwalia

Vice-Chancellor and President





University Governance

The University of the South Pacific (USP) is the premier institution of higher learning for the Pacific, uniquely placed in a region of extraordinary physical, social and economic diversity to serve the region's need for high quality tertiary education, research and policy development. Established by Royal Charter in 1968, USP is one of only two regional universities of its type in the world. It has 12 member countries: Cook Islands, Fiji, Kiribati, Marshall Islands, Nauru, Niue, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu and Vanuatu. The University has campuses in all member countries. The main campus, Laucala, is in Fiji. The Alafua Campus in Samoa is where the School of Agriculture and Food Technology is situated, and the Emalus Campus in Vanuatu is the location for the School of Law.

The academic Schools, Institutes and Centres at the University are organised into 3 Faculties led by Deans. These are the Faculty of Arts, Law and Education (FALE), the Faculty of Business and Economics (FBE) and the Faculty of Science, Technology and Environment (FSTE). Each Faculty comprises a number of Schools which offer a wide range of academic programmes at the undergraduate and postgraduate levels. In addition to the Faculties, the Pacific Technical and Further Education (Pacific TAFE) provides vocational and pathway education.

The University is committed to modern, cutting-edge pedagogies and flexible learning programmes and courses are delivered through flexible learning in a variety of modes and technologies throughout USP's 14 campuses. Advanced communication technologies through USPNET are used to reach flexible learning students across 33 million square kilometres of the Pacific Ocean.

UNIVERSITY ADMINISTRATION

The Royal Charter and Statutes form the overriding governance instruments of the University. It is governed by its own Council, which includes representatives of the member country governments, academic representatives, staff and student representatives, co-opted members with specialised skills, the Pacific Islands Forum Secretariat, Australia and New Zealand. The Council and the Senate are served by a network of standing committees as well as Joint Committees of the Council and Senate in key areas. The ceremonial head of the University is the Chancellor. USP's Chancellors are normally Heads of State of member countries. The Pro-Chancellor is Chair of Council and the executive head of the University is the Vice-Chancellor and President.

THE COUNCIL

The Council is the apex governing body of the University. It exercises all powers conferred on the University by the Charter, subject to the powers, duties and functions conferred upon it by the Statutes. The Council has general control over the conduct of the affairs of the University and sets its strategic direction and monitors its performance. It has the custody of the Common Seal and is responsible for the management and administration of the revenue and property of the University as well as the responsibility to ensure that appropriate risk management strategies and mechanism for their implementation and reporting are in place.

The Council appoints the Officers of the University who are the: Chancellor, Pro-Chancellor and Chair of Council, Deputy Pro-Chancellor and Deputy Chair of Council, Visitor, External Auditor, Vice-Chancellor and President, Deputy Vice-Chancellors and Vice-Presidents. It also assesses the performance of the Vice-Chancellor and President on an annual basis.

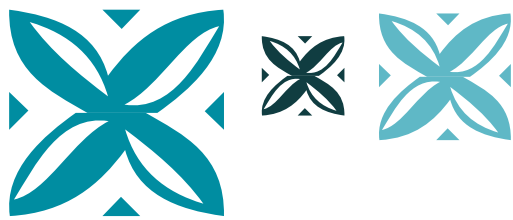
The Council can add to, amend or repeal the provisions of the Statutes by a Special Resolution as long as such changes are not repugnant to the Charter. Any changes to the Charter need to go to the Privy Council for approval with final assent by Her Majesty. The Council makes Ordinances to direct and regulate the University and its authorities and members. The Council meets twice a year normally in May and November, with the Executive Committee meeting at least 4 times a year to facilitate the oversight and operations of the University.

The following are the major Committees of the Council and they are required to report to each meeting of the Council on their activities and work.

Executive Committee

The Executive Committee (EC) exercises Council's powers delegated to it from time to time. This includes the powers to appoint the University Visitor and the Auditor; to co-opt members to the Council; to determine fees of the University and allowances for Committee members (as recommended by the Finance and Investments Committee (FIC)); to make financial commitment up to FJD 10 million¹ (as recommended by FIC); to ensure a supportive working environment for staff; to determine the appointment procedures and salary structure for staff of the University; to grant special academic distinctions; and to exercise other delegations.

¹ The approved funding level of FJD 10 million will be applied per case as long as this does not exceed the ceiling amount of FJD 20 million a year.



The Nominations Committee is a sub-committee of the EC and considers potential candidates and skills and maintains a register of persons who could be considered for vacancies in the co-opted member category. The selection of candidates will depend on the skill set needed by Council at any particular time, taking into consideration the skills of current members.

Finance and Investments Committee

Finance and Investments Committee (FIC) is responsible for overseeing and monitoring the University's financial system and processes; approval of financial policies; review of all significant financial proposals for Council's consideration; and for ensuring financial sustainability. The Tender Board is a sub-committee of FIC and reports on all tenders awarded.

Audit and Risk Committee

Audit and Risk Committee (ARC) oversees the risk management strategy for the University. It monitors the performance and effectiveness of external and internal audits; ensures that the University's processes and systems are audited for efficacy; and ensures that satisfactory arrangements are in place to promote economy, efficiency and effectiveness of the University.

Remuneration Committee

The Remuneration Committee (RemCom) decides the terms and conditions of employment of the Vice-Chancellor and President and the Senior Management Team (SMT). It is also responsible for deciding the pay, and the terms and conditions of academic and professional staff of USP. Two (2) members of Council join the RemCom to form the Review Committee which is tasked with the Annual Performance of the Vice-Chancellor and President. The RemCom is currently working on the new three year cycle 2019 – 2021 for SMT, academic and professional staff salaries to be approved by Council.

Search Committee

The Search Committee oversees the appointment process for the Pro-Chancellor and Chair of Council. This new committee was used for the first time in 2015 for the appointment of the current Pro-Chancellor and Chair of Council, Mr Winston Thompson and his re-appointment in 2018.

Legislation Taskforce

The Legislation Taskforce was established to oversee the implementation of the USP Convention recognising USP in each member country. The Convention supplements the Royal Charter which established USP in 1968. This committee will be disestablished.

Joint Committees of Council and Senate

These Joint Committees are established when required to oversee the positions appointed by Council such as the positions of Vice-Chancellor and President, the Deputy Vice-Chancellors and the Vice-Presidents. The Joint Committee makes a recommendation to the Council which makes the final decision. The Student Discipline Appeals Committee is a joint committee that considers appeals from students who have been found in breach of the University's Ordinance and Regulation Governing Student Conduct.

Honorary Degrees Committee

The Honorary Degrees Committee is a joint committee of Council and Senate and considers nominations for the award of honorary degrees. Recommendations are taken to the EC for approval on behalf of Council.

University Trust Fund

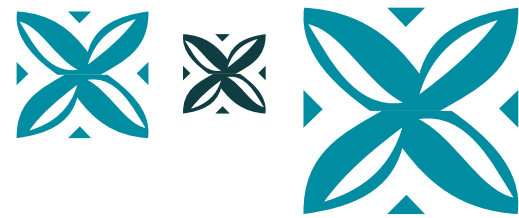
The University Trust Fund was set up to promote the establishment of a Trust Fund. It will be guided by a Board of Trustees with the Vice-Chancellor and President as Chair, one member of Council and three independent members from outside the University with expertise in the area of investment, trust law and knowledge/experience of managing significant endowment funds. Work is continuing on establishing the Board.

THE SENATE

The Senate is the chief academic authority of the University, responsible for all academic matters, including quality. It exercises the powers, duties and functions conferred by the Charter and Statutes to promote excellence in teaching, consultancy, research and other academic work of the University.

The Senate makes Regulations and approves policies and procedures to govern learning and teaching, and research at the University as well as all matters with respect to students, including academic and non-academic support services aimed at improving the overall student experience at USP. The membership of the Senate is drawn from the Faculties, regional campuses and the Students' Association, with a majority of members being elected. The Senate meets at least 4 times a year, and has 11 standing committees to expedite its work and execute its assigned statutory responsibilities as well as a number of ad-hoc committees and working groups for specific tasks.

The Academic Programmes Committee (APC) and Teaching Quality Committee (TQC) deliberate on all academic matters before they are considered by the



Senate. APC is concerned with all matters in respect of qualifications for all sub-degree, undergraduate and postgraduate courses and programmes of study while TQC is responsible for ensuring that the University has an established framework to reflect international best practice in teaching, learning and supervision in alignment with the University's Strategic and Academic Plans. The APC and TQC have a number of sub-committees dealing with specific tasks or specialised academic areas such as credit assessment, policy review, flexible learning, etc.

In terms of research, the University Research Committee oversees, promotes, coordinates and facilitates research and ensures that all research activities undertaken in the name of the University comply with its ethical principles.

The Communications, Information and Technology Committee (CITC) ensures the most effective use of IT Services in all forms (data, voice and video) to support the current and future activities of the University in the areas of teaching, research, management, consultancy and service to the communities that the University serves.

To facilitate a positive and supportive campus environment in the University, the Campus Life Committee advises on

overall welfare and personal development and well-being of all students and staff, the development of policies on health and security and the promotion of a Safe, Clean and Green campus for all campuses. It is also responsible for promoting cultural interaction and the development of a Pan-Pacific consciousness to ensure that the University produces graduates who can advocate and champion the idea of people who can live, work and prosper peacefully together and who can promote regional co-operation and integration.

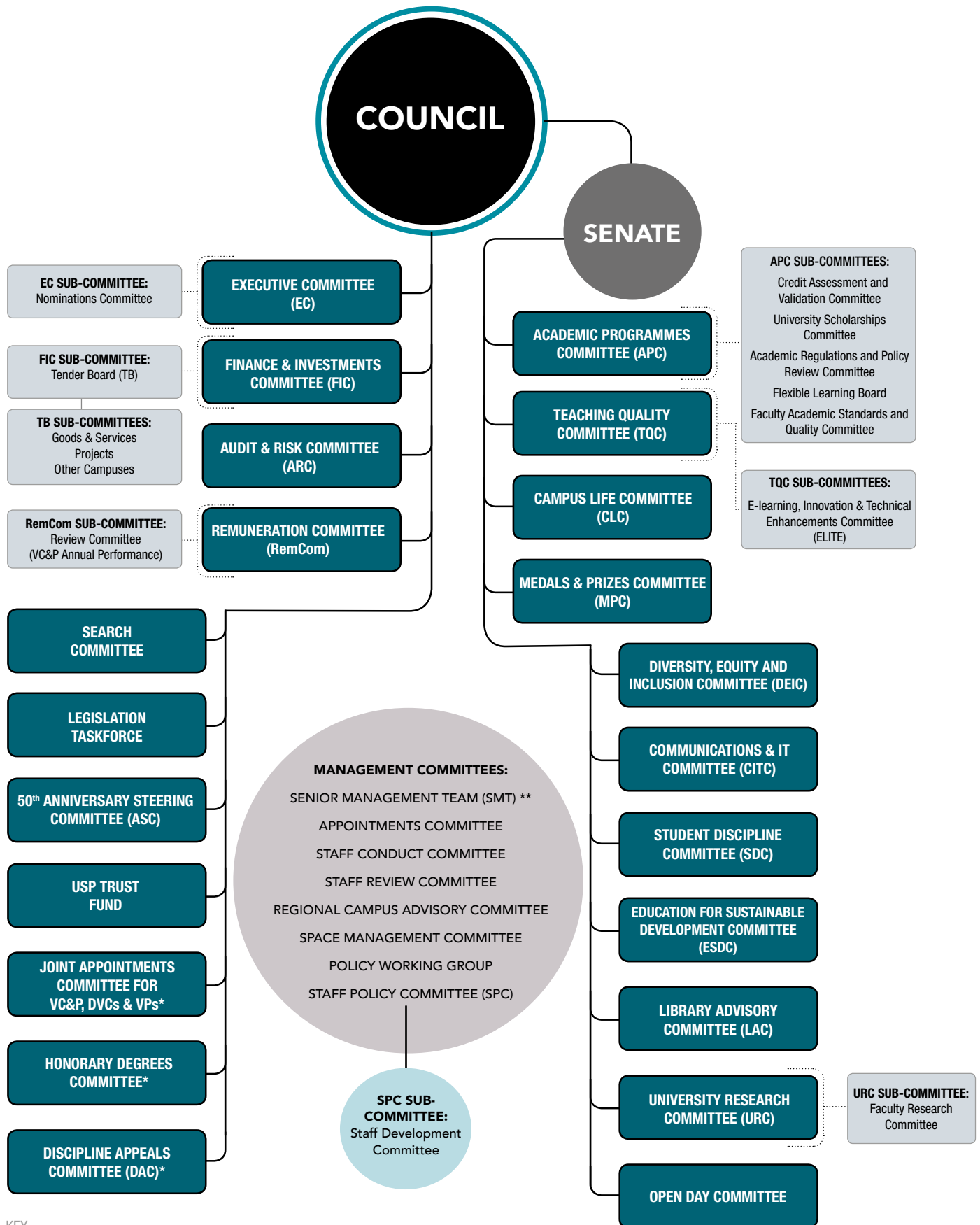
The Student Discipline Committee is responsible for student discipline according to the Ordinance and Regulation Governing Student Conduct.

The Medals and Prizes Awards Committee oversees the award of medals and prizes to the University's exceptional and high performing students.

Other committees are the Diversity, Equity and Inclusion Committee, the Library Advisory Committee and the Education for Sustainable Development Advisory Committee.



USP Council Members at the 87th Council Meeting in Suva, Fiji



KEY

- * Joint Committee of Council and Senate
- ** Senior Management Team (Advisory to Vice-Chancellor & President)



His Excellency Taneti Maamau
BA S.Pac., PGD USYD, M.Ec.St. UQ
Chancellor



Mr Winston Thompson
*Pro-Chancellor
& Chair of Council*



Professor Rajesh Chandra
BA GCEd MA S.Pac., PhD Br.Col
Vice-Chancellor & President



Professor Richard Coll
BSc PhD Cant., ScEdD Curtin
*Deputy Vice-Chancellor
(Learning, Teaching & Student
Services)*



Professor Derrick Armstrong
BA Hons (Philosophy) Lond.,
MA PhD Lanc.
*Deputy Vice-Chancellor
(Research, Innovation and
International)*



Dr Giulio Masasso
Tu'ikolongahau Pāunga
BA Wesleyan, MA PhD
Daito Bunka
*Vice-President
(Regional Campuses and Estates
& Infrastructure)*



Mr Kolinio Boila
BA MBA S.Pac.
*Executive
Director Finance*



Dr Akanisi Kedrayate
MEd Glas., PhD NE
*Dean of the Faculty of Arts,
Law & Education*



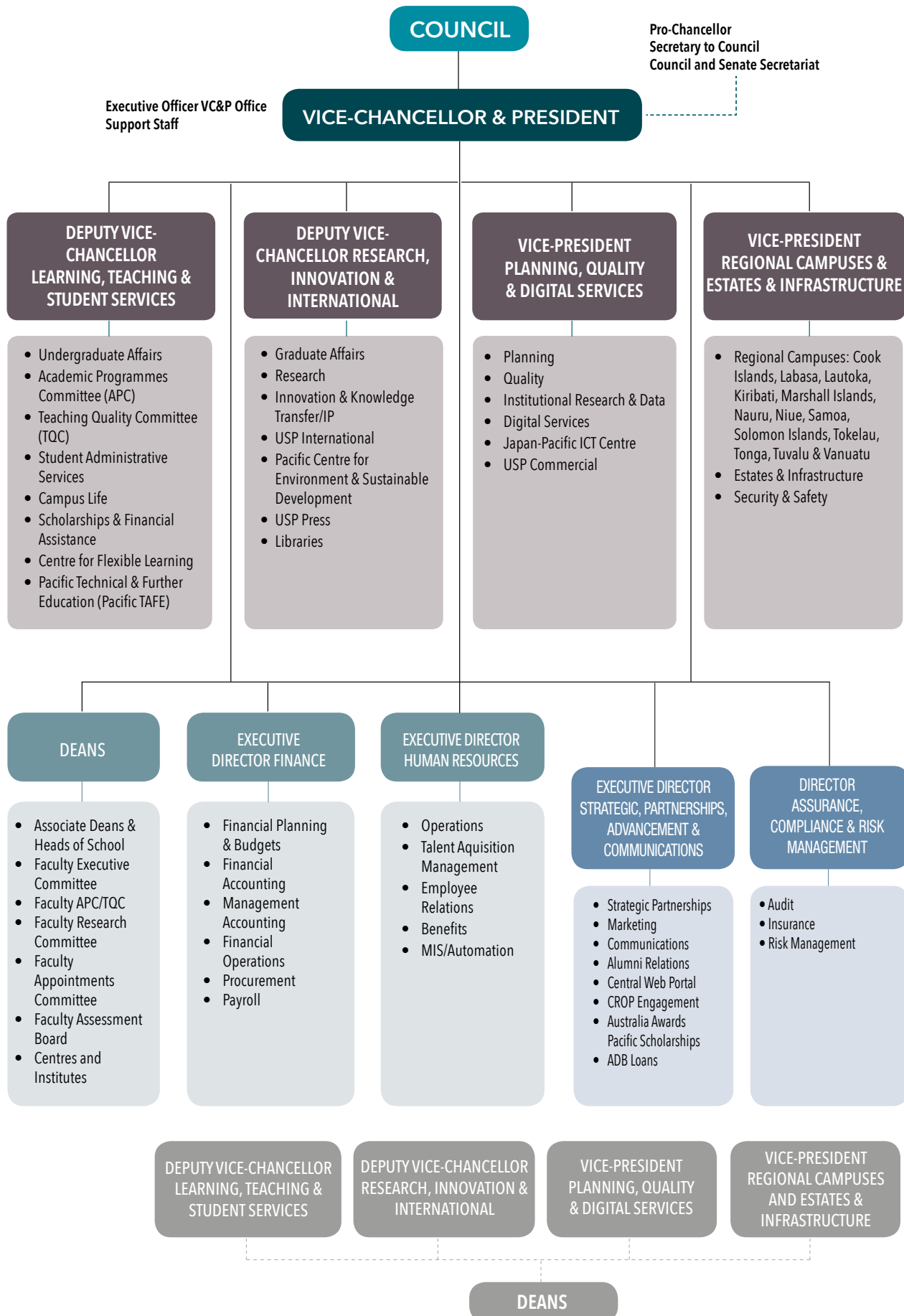
Professor Arvind Patel
BA S.Pac., MCom NSW, PhD Qld
*Acting Dean of the Faculty of
Business & Economics*



**Associate Professor
Anjeela Jokhan**
BSc PGDip MSc S.Pac., PhD Brist.
*Dean of the Faculty of Science,
Technology & Environment*



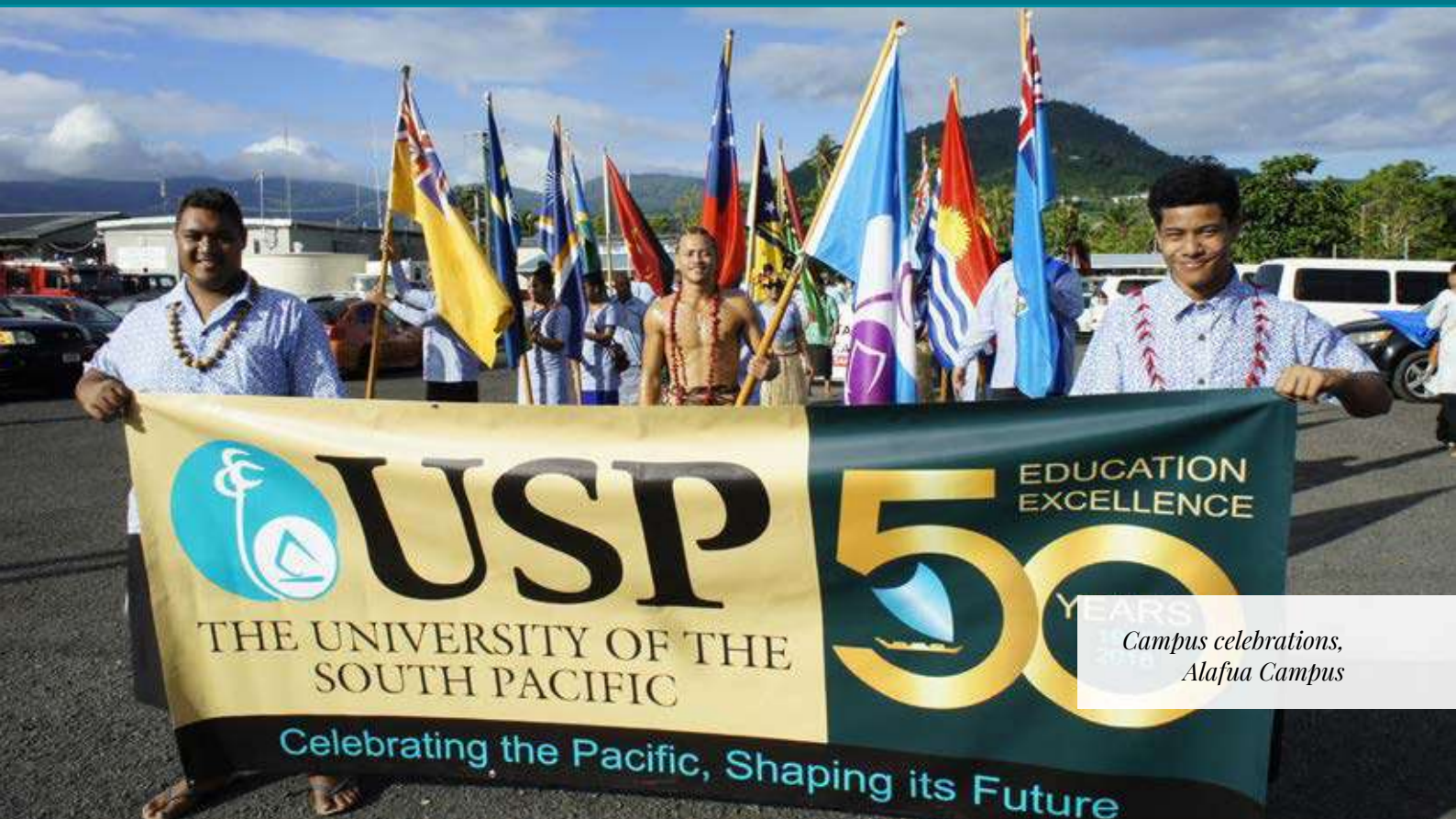
Mr Hasmukh Lal
BEd PGDip (Edu) MEd S.Pac.
*Executive Director of Pacific
Technical and Further Education*





*Heritage and Arts Festival,
Laucala Campus*

USP's 50th Anniversary Celebrations



*Campus celebrations,
Alafua Campus*



The year 2018 marked USP's 50th Anniversary, which was a significant milestone for the region. Fifty events were held to celebrate the achievements of the University in its Member Countries; some were spectacular, while others were more serious and scholarly. The entire USP community and all its stakeholders were involved in one way or the other and, by the end of 2018, the entire region had a better understanding of where USP came from, what it is today, and the scope and depth of what it has achieved for the Pacific Islands over the past five decades.

PREPARATIONS AND LEADERSHIP

Planning for the 50th Anniversary celebrations began in 2016, with the conviction that such a special anniversary must be celebrated with distinction. The 50th Anniversary Steering Committee (ASC), comprising representatives from Member Countries, key donors, partners, Council, Senate, staff and students, was formed, with the Pro-Chancellor as its Chair.

At the Council meeting in October 2017, the ASC presented an ambitious programme of 50 events, nearly one per week, spread throughout the year and across all campuses. This range of events, all very different, were designed to resonate across USP's broad family of stakeholders. It was anticipated that there would be something for everyone, thus enabling all to engage in the 50th celebrations.

2018-THE GOLDEN JUBILEE YEAR

The 50th Anniversary celebrations was launched on 5 February 2018 by the President of Fiji and 24th Chancellor of USP, His Excellency Major-General (Ret'd), Jioji Konousi Konrote. This was 50 years to the day after classes began at the Laucala Campus in 1968. The celebrations concluded on 13 December 2018 with a grand Closing Dinner at the Grand Pacific Hotel in Suva. The closing was attended by over 350 alumni, staff, students and stakeholders.

Travelling Exhibition

USP's 50th Anniversary Travelling Exhibition was part of the week-long "Moment to Shine" at the University's Laucala Campus from 23 – 27 July 2018. The exhibition, referred to as the USP50 was created as a celebratory, touring exhibition that is interactive, and of a quality that reflects the 50th Anniversary. The Exhibition Curator, Ms Moana Davey, focused on the themes of Honour, Achieve and Aspire as a way to discuss USP's history and to demonstrate the success of its alumni. The three (3) significant aspects of the exhibition included, twelve-member countries supporting the development of USP to meet their tertiary education needs; the impact of USP within the region; and Pacific leadership.

Teaching and Research

USP's core functions of teaching and research were also

well represented throughout the 50th Anniversary Year. The Research Office coordinated a range of research seminars and symposiums. The Sports Research Symposium, held in June, was particularly successful as it opened the door for USP's involvement in this new and rapidly growing industry in the Pacific. The Research Week that was held in August highlighted the enormous contribution that USP makes in the areas of framing Public Policy and industry capacity building.

Most Popular Events

Two other events, the royal visit and the sealing of a new time capsule, were incredibly successful and memorable. The Royal Visit to the Laucala Campus of USP by His and Her Royal Highness, the Duke and Duchess of Sussex, Prince Harry and Meghan, took place in October. Three hundred (300) students crammed the Japan – Pacific ICT Centre Theatre to hear them speak, while hundreds more lined the route they followed around the campus.

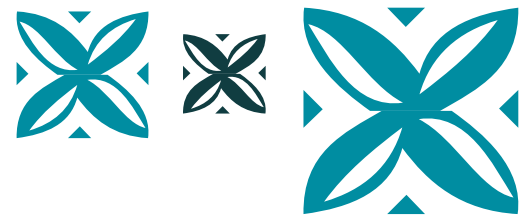
On the morning of 13 December, a time capsule containing iconic items from the 2018 Anniversary Year was sealed by the former Vice-Chancellor and President and the Pro-Chancellor and Chair of Council. The capsule's instructions state that it should be opened on the occasion of USP's 75th Anniversary in 2043.

Spotlight on Pacific Cultures

Throughout the 50th Anniversary programme, the role of USP as a promoter and preserver of Pacific cultures was highly evident. There were many local indigenous performers and artisans on show during the "Moments to Shine". In addition, several significant performances and exhibitions were held at the Laucala Campus. The support of the Oceania Centre for Arts, Culture and Pacific Studies was instrumental in the delivery of a very diverse cultural programme, which also incorporated challenging discussions regarding USP's future role in terms of safeguarding and celebrating all things Pacific.

The five-day Heritage & Arts Festival, held in July, brought together a broad range of cultural themes and artists, from fashion designers to painters. Contemporary and traditional designers, student performers, and local community artists gathered to show their work and exchange ideas. This Festival culminated in the completion of the 50th Anniversary Mural, now proudly on permanent display in the Japan-Pacific ICT Centre at the Laucala Campus. This is a lasting reminder of the 50th Anniversary Year. Other permanent and highly visible reminders of USP's 5 decades of service to the region include the Royal New Zealand Airforce Commemorative Monument, located at the new entrance to the Main Campus of USP, and the 50th Anniversary Book, which was authored by Dr Jacqui Leckie.

The celebrations of 2018 made it abundantly clear that USP has had a real and lasting impact on the Pacific Islands.



USP's 50th Anniversary Celebrations



Sports Symposium at Laucala Campus



Heritage and Arts Festival



Opening of the "Talking to the Ancestors" Exhibition



RNZAF Commemorative Monument



CFL Launches two books on Flexible Learning to commemorate USP's 50th Anniversary



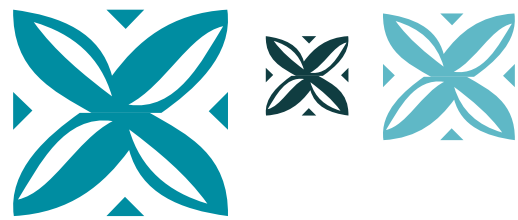
USP unveils mural to mark 50th Anniversary



Travelling Exhibition



"Our Sea of Islands" Seminar



Moments to Shine

Central to the year's activities was the 'Moments to Shine' programme, a series of events that highlighted each campus, including its activities, its impacts, and its role in USP's development over the past half century. These events were special occasions for each campus. As no other events were held at the same time, all eyes were therefore on the celebrating campus. It would be an understatement to say that these 'Moments to Shine' were a success. The enthusiasm and pride shown by current and former staff, students and hundreds of alumni was truly overwhelming.



Emalus Campus, Vanuatu



Kiribati Campus



Labasa Campus, Fiji



Laucala Campus, Suva, Fiji



Lautoka Campus, Fiji



Nauru Campus



Niue Campus



Marshall Islands Campus



Solomon Islands Campus



Tonga Campus



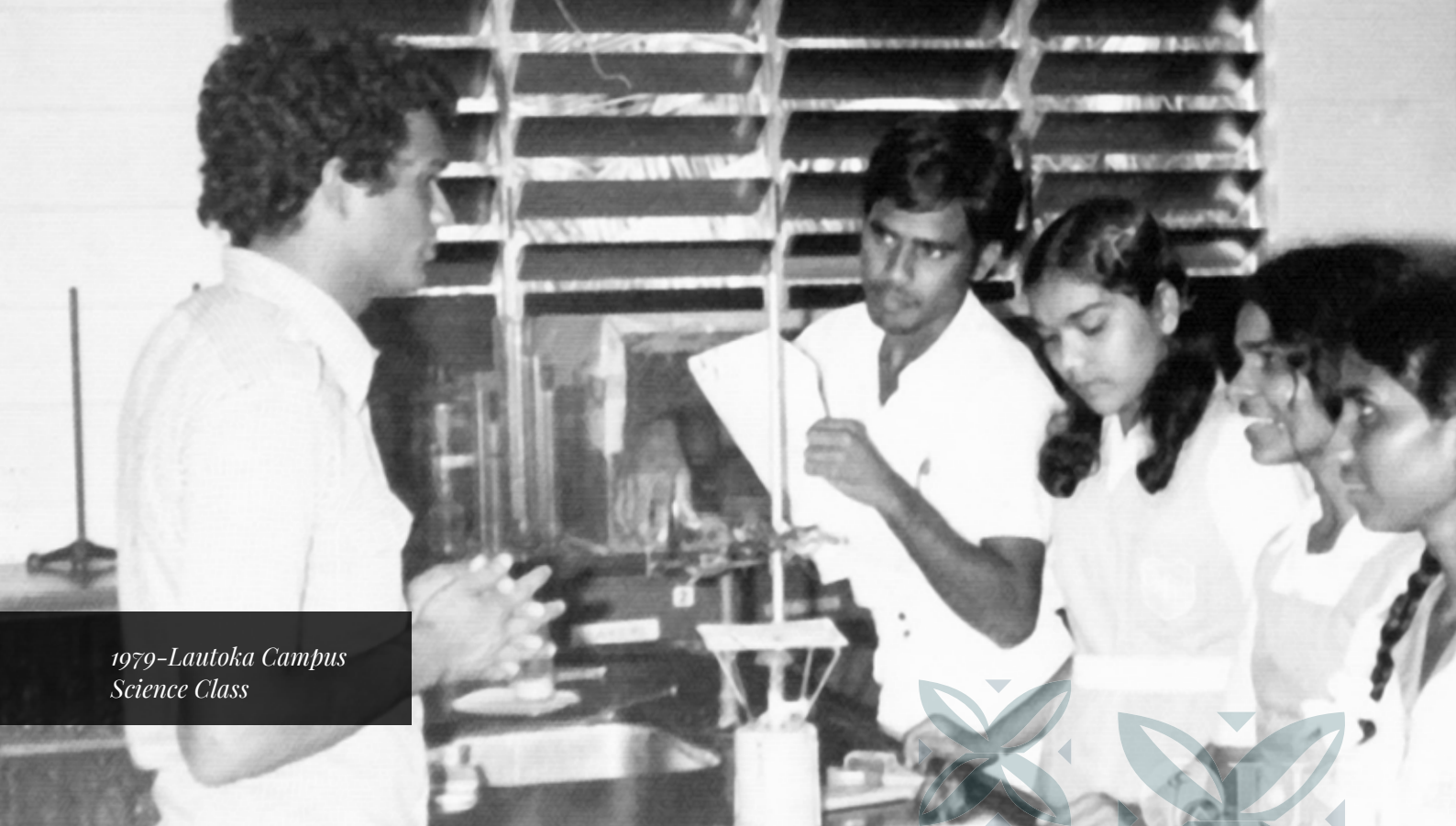
Tuvalu Campus



Alafua Campus, Samoa



Cook Islands Campus



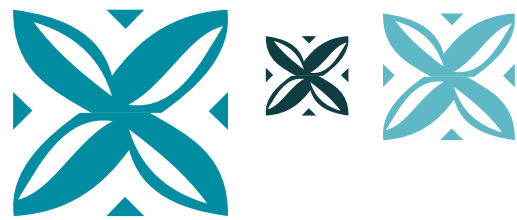
*1979-Lautoka Campus
Science Class*



Our Students, Staff and Region



*2018-Laucala Campus
Biology lab*



STUDENTS

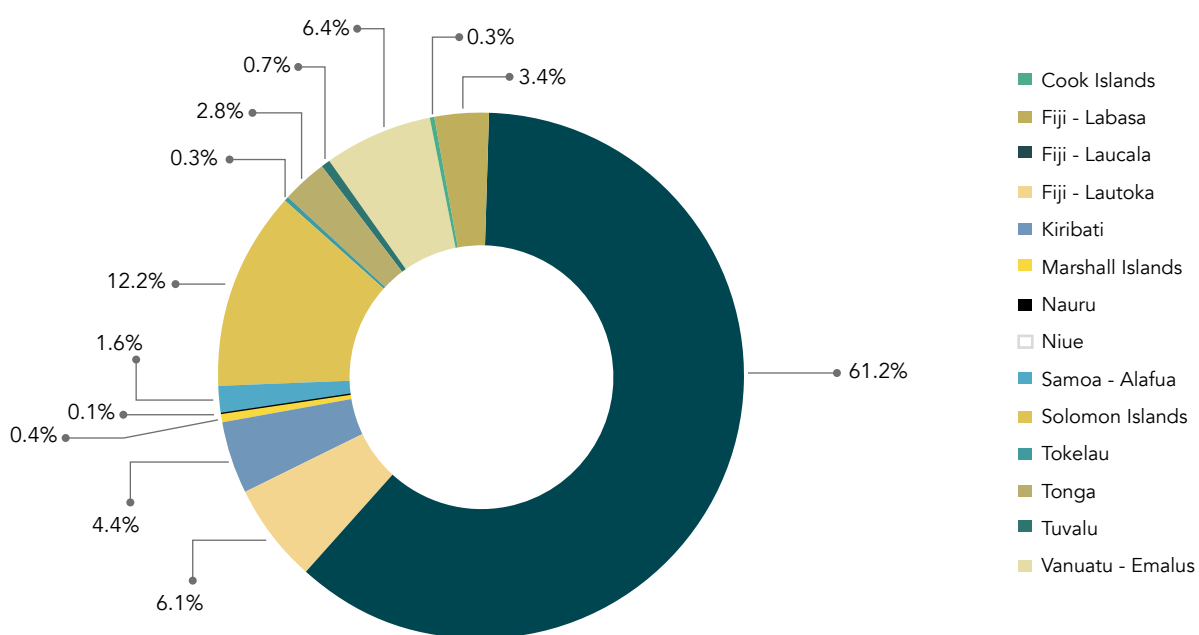
HEADCOUNT	2017	2018
Total Number of Students	29,918	32,043
In Pre-degree Courses	9,121	11,882
In Bachelor Courses	16,721	17,098
In Postgraduate Courses	2,933	3,123
In Other Courses	2,865	2,186

Note: The sum of students studying at different course levels will not be equal to the total number of students since a significant number of students study between different course levels.

ENROLMENT BY CAMPUS

	2017	2018
Cook Islands	62.8	57.5
Fiji - Labasa	547.6	670.2
Fiji - Laucala	11,349.9	12,008.5
Fiji - Lautoka	954.8	1,203.8
Kiribati	880.2	869.6
Marshall Islands	102.1	80.1
Nauru	20.9	21.0
Niue	3.9	4.5

	2017	2018
Samoa - Alafua	397.8	323.4
Solomon Islands	2,201.8	2,396.5
Tokelau	61.1	49.2
Tonga	546.6	555.4
Tuvalu	125.9	137.2
Vanuatu - Emalus	1,236	1,246.1
TOTAL EFTS	18,491.4	19,623.0

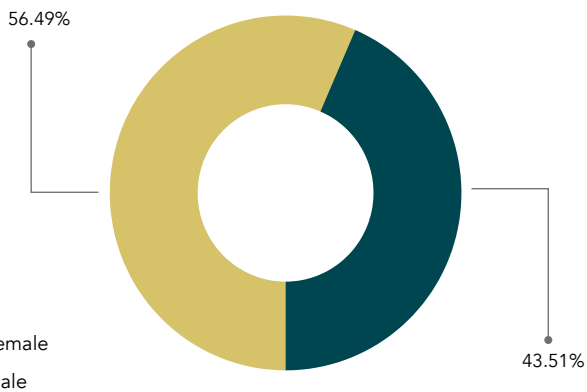
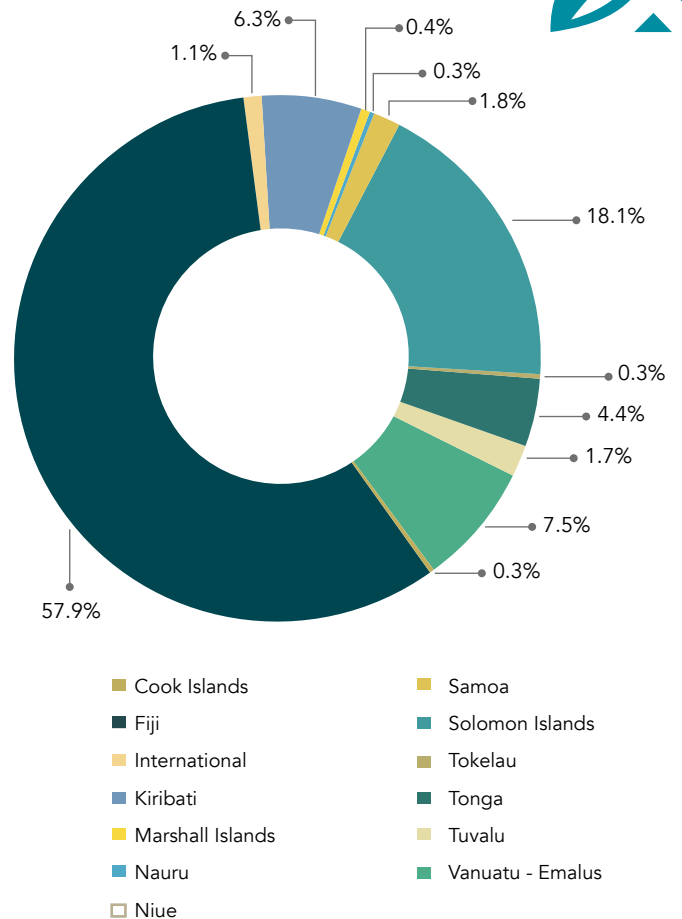


Note: EFTS - Equivalent Full-time students is a unit of measure that defines the calculated (not actual) number of students equivalent to the number carrying the workload of a full-time student. For example, an EFTS workload of 1.0/yr for a student means that the student is equivalent to a full-time student, while an EFTS of 0.5/yr means half the workload of a full-time student.



ENROLMENT BY REGIONAL NATIONALITY

	2017	2018
Cook Islands	55.6	49.9
Fiji	10,320.2	11,367.0
Kiribati	1,182.8	1,226.7
Marshall Islands	102.4	81.3
Nauru	48.4	50.7
Niue	3.5	3.2
Samoa	381	353.9
Solomon Islands	3,516.9	3,558.2
Tokelau	59.2	49.3
Tonga	859.2	859.5
Tuvalu	343.0	326.2
Vanuatu	1,391.4	1,476.2
International	227.8	220.9
TOTAL EFTS	18,491.4	19,623.0

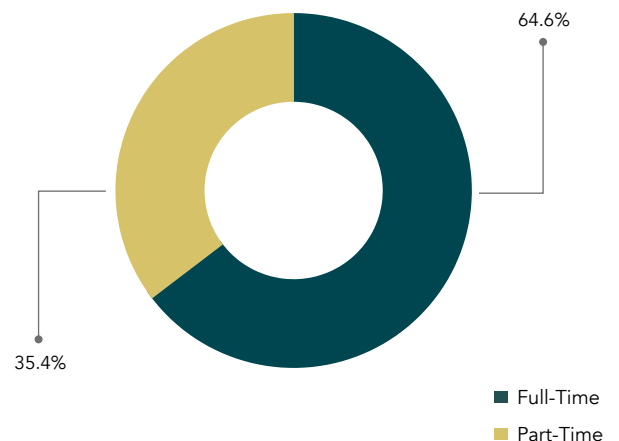


ENROLMENT BY GENDER

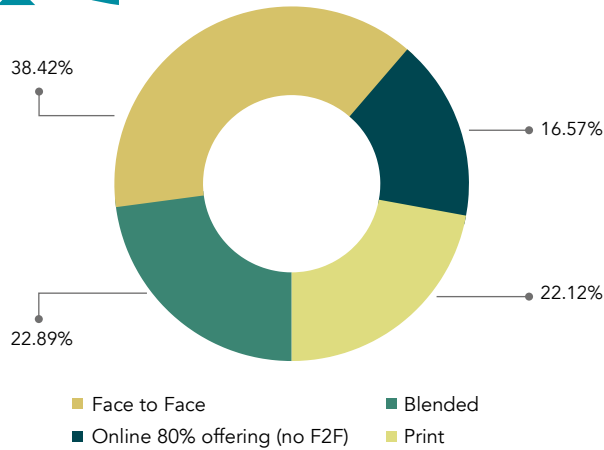
	2017	2018
Female	10,228.4	11,085.5
Male	8,263	8,537.5
TOTAL EFTS	18,491.4	19,623.0

ENROLMENT BY FULL-TIME/PART-TIME

	2017	2018
Full-Time	12,136.4	12,679.6
Part-Time ¹	6,355	6,943.5
TOTAL EFTS	18,491.4	19,623.0



⁽¹⁾ A student is considered Part-Time if the annual EFTS workload for the student is less than 0.75/yr. Where the student's annual EFTS workload is greater than or equal to 0.75, the student is considered Full-Time.

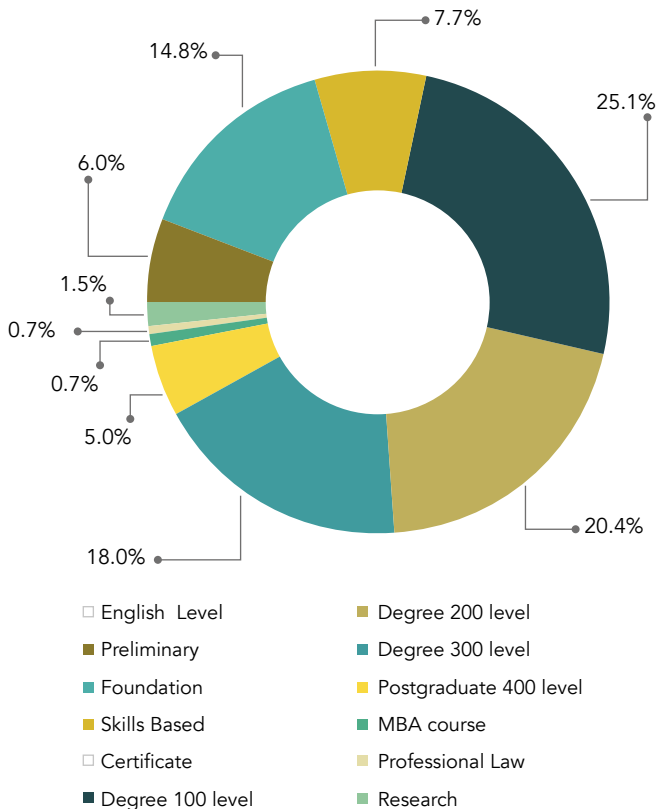
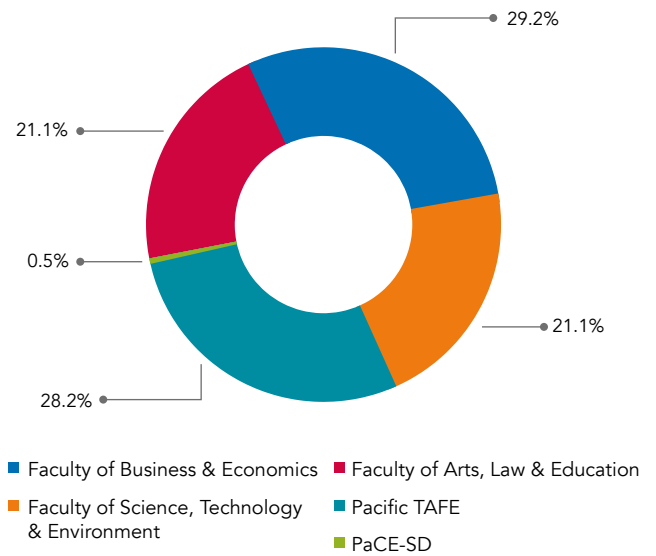


ENROLMENT BY MODE OF STUDY

	2017	2018
Face to Face	7,192	7,538.3
Blended	3,347.5	4,492.3
Online 80% offering (no F2F)	2,693.3	3,251.7
Print	5,258.6	4,340.7
TOTAL EFTS	18,491.4	19,623.0

ENROLMENT BY FACULTY

	2017	2018
Faculty of Arts, Law & Education	3,765.3	4,138.2
Faculty of Business & Economics	5,372	5,730.1
Faculty of Science, Technology & Environment	3,915	4,132.5
Pacific TAFE	5,349.4	5,530.4
PaCE-SD	89.7	91.8
TOTAL EFTS	18,491.4	19,623.0



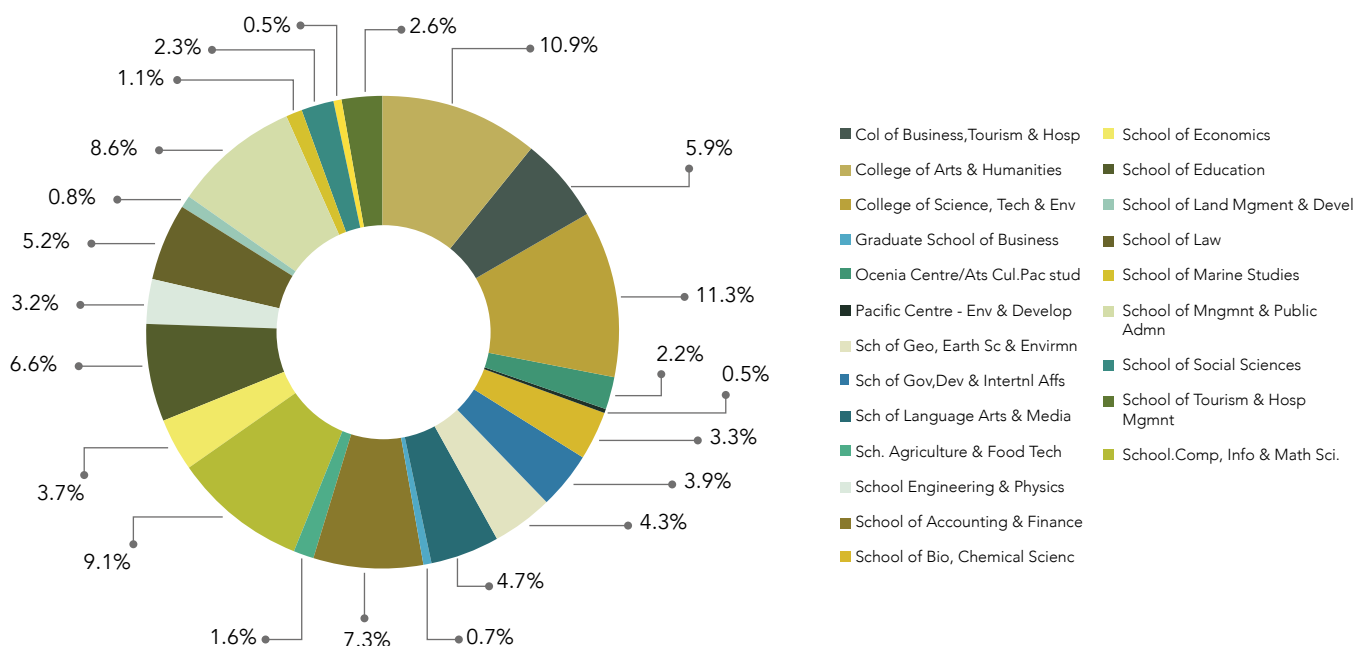
ENROLMENT BY COURSE LEVEL

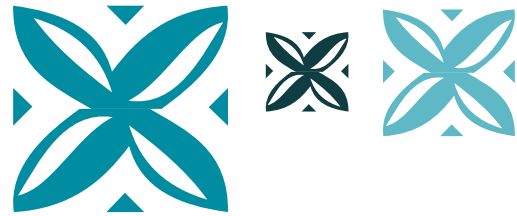
	2017	2018
English Language	2.3	2.4
Preliminary	1,240.3	1,171.6
Foundation	3,077.2	2,907.0
Skills Based	1,031.8	1,520.4
Certificate	10.4	-
Degree 100 level	4,678.8	4,924.9
Degree 200 level	3,930.6	4,005.8
Degree 300 level	3,080.9	3,536.3
Postgraduate 400 level	944.2	978.1
Professional Law	116.2	142.7
MBA course	94.2	139.5
Research	284.5	294.3
TOTAL EFTS	18,491.4	19,623.0



ENROLMENT BY SCHOOLS, COLLEGES AND CENTRES

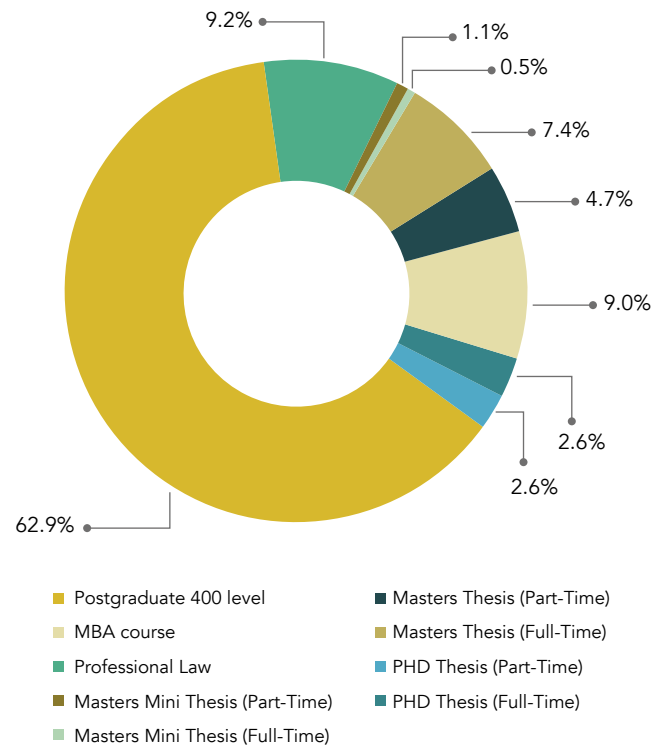
	2017	2018
College of Business, Tourism & Hospitality	954.7	1,161.6
College of Arts & Humanities	2,027.8	2,145.8
College of Science, Technology & Environment	2,366.9	2,223.1
Graduate School of Business	94.1	139.5
Oceania Centre for Arts Culture & Pacific Studies	431.2	435.9
Pacific Centre for Environment & Sustainable Development	89.8	91.8
School of Geography, Earth Science & Environment	819.1	851.9
School of Government, Development & International Affairs	759.4	774.3
School of Language, Arts & Media	872.2	917.5
School Agriculture & Food Technology	279.1	319.7
School Engineering & Physics	636.1	623.8
School of Accounting & Finance	1,389.1	1,433.0
School of Biology & Chemical Sciences	594.4	640.7
School of Economics	681.3	717.3
School of Education	1,024.8	1,303.7
School of Land Management & Development	159.8	155.3
School of Law	1,013.9	1,020.0
School of Marine Studies	208.1	223.0
School of Management & Public Administration	1,576.6	1,686.4
School of Social Sciences	423.4	460.9
School of Tourism & Hospitality Management	432.4	504.6
School of Computing, Information and Mathematical Sciences	1,657.2	1,793.2
TOTAL EFTS	18,491.4	19,623.0





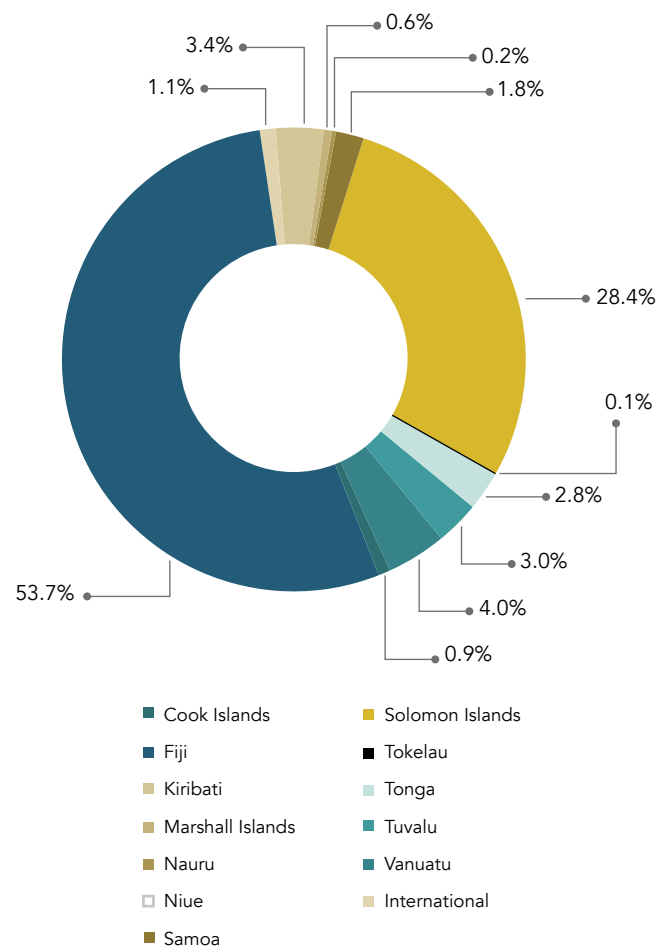
ENROLMENT BY POSTGRADUATE COURSE LEVEL

	2017	2018
Postgraduate 400 level	944.3	978.0
MBA course	94.2	139.5
Professional Law	116.2	142.7
Masters Mini Thesis (Part-Time)	18.5	16.5
Masters Mini Thesis (Full-Time)	8.5	8.0
Masters Thesis (Part-Time)	82.3	73.5
Masters Thesis (Full-Time)	91	115.0
PHD Thesis (Part-Time)	41.8	40.3
PHD Thesis (Full-Time)	42.5	41.0
TOTAL EFTS	1,439.3	1,554.5

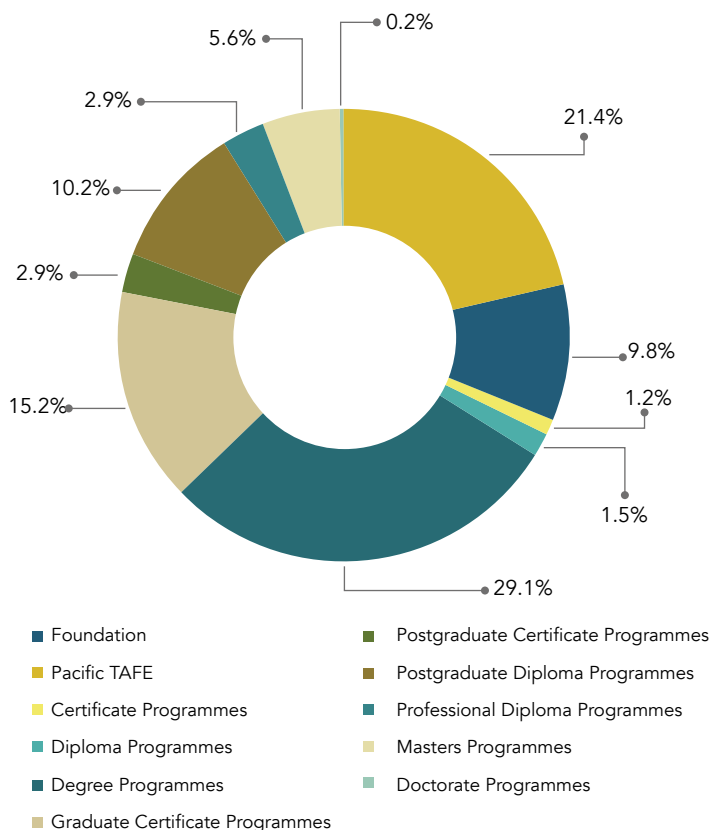
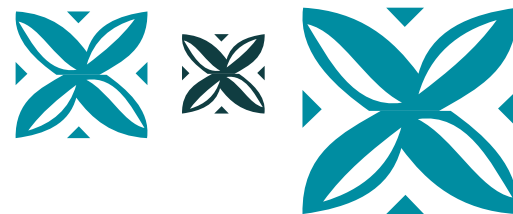


AWARDS BY REGIONAL NATIONALITY

	2017	2018
Cook Islands	19	55
Fiji	2,722	3,290
Kiribati	154	209
Marshall Islands	44	36
Nauru	15	15
Niue	3	1
Samoa	96	110
Solomon Islands	679	1,741
Tokelau	20	5
Tonga	132	174
Tuvalu	94	182
Vanuatu	218	245
International	60	66
TOTAL AWARDS	4,256	6,129



Note: Includes College of Foundation Studies and Pacific TAFE awards.



AWARDS BY PROGRAMME LEVEL

	2017	2018
Foundation	570	601
Pacific TAFE	676	1,309
Certificate Programmes	62	76
Diploma Programmes	100	89
Degree Programmes	1,648	1,782
Graduate Certificate Programmes	72	933
Post Graduate Certificate Programmes	161	180
Post Graduate Diploma Programmes	522	625
Professional Diploma Programmes	142	177
Masters Programmes	288	341
Doctorate Programmes	15	13
TOTAL AWARDS	4,256	6,126

ALL STAFF BREAKDOWN

STAFF CATEGORY	2017	2018
Academic & Comparable	626	649
Intermediate & Junior	639	642
Hourly Paid	249	240
TOTAL	1,514	1,531

SENIOR STAFF BREAKDOWN

STAFF CATEGORY	2017	2018
Academic	400	392
Comparable	226	257
TOTAL	626	649

Note: Staff numbers include academic and support staff. Staff data census date is as at 31 December 2017.

ACADEMIC STAFF BY RANKING

STAFF CLASSIFICATION	2017	2018
Professor	14	14
Associate Professor	18	18
Senior Lecturer	52	54
Senior Fellow	3	2
Fellow	10	6
Lecturer	63	62
Librarian	1	1
Subject Coordinator	4	2
Programme Coordinator	1	1
Curator	1	0
Assistant Lecturer	68	57
Tutors/TA's	82	87
Other Academics	15	15
TOTAL ACADEMICS	332	319

PACIFIC TAFE ACADEMIC STAFF BY RANKING

STAFF CLASSIFICATION	2018
Head of College	3
Coordinator	17
Facilitator	50
Teaching Assistant	1
Assistant Facilitator	0
TOTAL ACADEMICS	71

Pacific TAFE was established in 2016 and full academic staffing recruited by 2017.



STAFF BY CAMPUS AND CATEGORY

CAMPUS	HOURLY PAID		I&J		SENIOR STAFF		TOTAL		(% OF TOTAL)	
	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
Alafua	23	18	33	28	13	13	69	59	4.6%	3.85%
Cook Islands	0	2	4	4	1	0	5	6	0.3%	0.39%
Emalus	45	39	37	40	33	34	115	113	7.6%	7.38%
Kiribati	4	5	12	10	6	6	22	21	1.5%	1.37%
Labasa	2	2	10	12	4	7	16	21	1.1%	1.37%
Laucala ²	161	152	471	475	517	527	1,149	1,154	75.8%	75.38%
Lautoka	0	2	10	11	10	12	20	25	1.3%	1.63%
Marshall Islands	2	3	4	5	11	14	17	22	1.1%	1.44%
Nauru	0	1	6	3	1	2	7	6	0.5%	0.39%
Niue	2	1	1	2	0	1	3	4	0.2%	0.26%
Solomon Islands	4	9	24	26	18	20	46	55	3%	3.59%
Tonga	3	3	22	19	10	12	35	34	2.3%	2.22%
Tokelau	0	0	0	0	1	0	1	0	0.1%	0.00%
Tuvalu	3	3	5	7	1	1	9	11	0.6%	0.72%
TOTAL	249	240	639	642	626	649	1,514	1,531	100%	100%

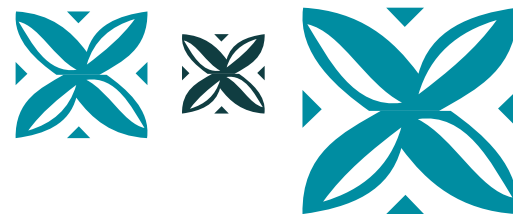
²Laucala Fiji staff numbers include USP headquartered staff who support the rest of the University.

RESEARCH OUTPUT BY PUBLICATION TYPE

Year	Books	Book Chapters	Conference Proceedings	Journal Articles	Total	Other Types	Total Outputs
2013	1	14	28	101	144	6	150
2014	3	20	40	112	175	12	187
2015	1	15	37	90	143	11	154
2016	3	10	54	124	191	9	200
2017	5	15	36	140	196	19	215
2018	3	18	53	134	208	29	237

Note: The main research outputs are books, book chapters, conference proceedings and journal articles. These are the main areas listed in the 2013 Higher Education Research Data Collection (HERDC), Australian government.

Since 2018 marks the end of the 2013 - 2018 SP period, the data from 2012 onwards have been sourced from Scopus for comparability and to ensure that only ranked or recognized outputs are listed. Other types of outputs include editorials, reviews, notes, short surveys, and articles in press.



RESEARCH OUTPUT BY FACULTY

Year	FALE	FBE	FSTE	PaCE-SD	Other	Total
2013	50	69	135	5	7	266
2014	70	86	161	16	12	345
2015	56	70	143	10	16	295
2016	54	76	144	13	11	298
2017	59	79	121	15	11	285
2018	55	67	103	7	6	238

Note: Where several staff from different faculties share a publication, each faculty is recognized; for this reason, the Faculty Research Output is higher than the University Research Output.

The data are sourced from Scopus on 5 April 2019.

RESEARCH OUTPUT BY AREA - TOP 5

2013	2014	2015	2016	2017	2018
Soc. Sci. (44)	Eng. (44)	Eng. (38)	Comp. Sci. (51)	Soc. Sci. (61)	Soc. Sci. (73)
BM&A (32)	Soc. Sci. (41)	Comp. Sci. (36)	Soc. Sci. (46)	Eng. (46)	Eng. (48)
Comp.Sci.(28)	Comp. Sci. (40)	Soc. Sci. (34)	Env. Sci. (40)	Comp. Sci. (37)	Comp. Sci. (43)
Eng. (24)	Agr. & Bio. Sci. (30)	Math (30)	Agr. & Bio. Sci. (31)	Env. Sci. (36)	Env. Sci. (42)
Math (20)	Env. Sci.(27)	Agr. & Bio. Sci. (30)	Math (26)	Agr. & Bio. Sci.(27)	Math (36)

Note: These are shared publications between Faculties. Sources: Scopus and USPERR

Soc. Sci. = Social Science; BM&A = Business, Management & Accounting; Env. Sci. = Environment Science; Comp. Sci. = Computer Science; Eng.=Engineering; Math = Mathematics; Agr. & Bio. Sci. = Agriculture & Biological Science

RESEARCH MASTERS & PhD AWARDS

	2013	2014	2015	2016	2017	2018
Masters (Full Thesis)	43	45	44	36	50	59
PhD	4	3	12	9	15	13
Total Research Masters & PhD	47	48	56	45	65	72

RESEARCH INCOME

Year	Total Research Income
2014	\$5,517,025
2015	\$9,928,820
2016	\$10,576,323
2017	\$7,478,636
2018	\$12,194,443

Note: The definition of External Research Income is as per the 2013 HERDC.

TOTAL UNIVERSITY ALUMNI

45,674

Note: Alumni is defined as a graduate with at least one Senate approved qualification from the University. For example a person with 3 qualifications (BSc, MSc, PhD) is counted as one Alumni.



Highlights of 2018



Innovation Showcased at YES launch

The University showcased innovative projects at the launch of the Young Entrepreneurship Scheme (YES) on 11 January, that was officiated by Fiji's Prime Minister Hon Josaia Voreqe Bainimarama. These projects included the Design and Evaluation of EMI Sensors for Corrosion Measurements in Concrete; Autonomous Motion Tracking Turrets with Laser Illuminators; the Braille Eye-Slate; and the Morris Hedstrom (MH) App.



USP Orientation Week 2018

The 2018 Orientation Week was officially launched by the Hon Jone Usamate, Fijian Minister for Employment, Productivity and Industrial Relations, at the Laucala Campus on 29 January. The Orientation Week was designed to give all new students an opportunity to meet faculty members, attend orientation sessions, access academic guidance, register for courses, and get linked to a Buddy as part of the Campus Life First Year Experience Programme.



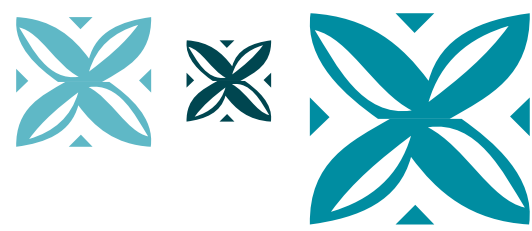
Natural Disaster Detection Improved at the Emalus Campus

In January equipment was installed and staff were trained to operate a Very Low Frequency (VLF) signal receiver. This equipment is used to detect Upper Atmospheric (Ionospheric) changes during earthquakes and tropical cyclones. This was funded through a USP research project titled 'Investigations of Sea State and Upper Atmosphere during Earthquakes (EQs) and Tropical Cyclones (TCs) in the South Pacific Region: Fiji, Vanuatu and Samoa'.



2018 Entrepreneurial Fair

The Annual Entrepreneurial Fair was launched by Hon Faiyaz Siddiq Koya, Fiji's Minister for Industry, Trade, Tourism, Land and Mineral Resources at the Laucala Campus on 19 February. Chief Guest Mr Pic Picot, Managing Director of New Zealand-based Pic's Peanut Butter, shared his personal experience as an entrepreneur and inspired attendees to strike out on their own and launch creative businesses.



Marine Symposium at USP

The School of Marine Studies (SMS) hosted a symposium on Marine Science and Fisheries in collaboration with Japan International Cooperation Agency (JICA) on 29 January. This commemorated the 20th Anniversary of the SMS, which was built by the Government of Japan.



Kick-off of the 50th Anniversary Celebrations

HE Major General (Ret'd) Jioji Konusi Konrote, Chancellor of USP and President of the Republic of Fiji, launched the 50th Anniversary at the Laucala Campus on 5 February. Hon Julie Bishop, Australia's Foreign Minister, sent a congratulatory message by video recording. The USP Time Capsule of 1997 was also opened by HE President Konrote and HE Mr John Feakes, Australian High Commissioner to Fiji.



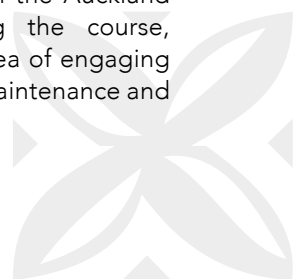
Training for Unemployed Youth at the Lautoka Campus

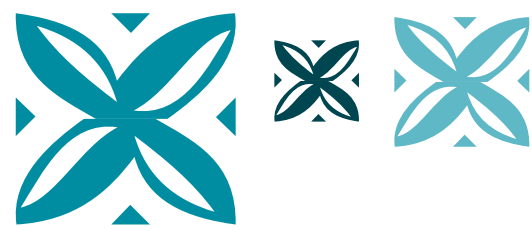
Forty-two unemployed youths were sponsored by OXFAM Fiji to complete an eight week Office Assistant Training Programme at the Lautoka Campus. This Youth Employment Network (YEN) training was developed through a partnership between the Lautoka Campus and the Foundation for Rural Integrated Enterprise and Development (FRIEND).



Māori Language Flexi-School in the Cook Islands

The Cook Islands Campus completed the first full Cook Islands Māori Language Flexi-School, taught by Dr. Akevai Nicholas from the Auckland University of Technology. During the course, students were introduced to the idea of engaging with popular culture for language maintenance and revitalization.





First Untrained Teachers Cohort for the Tuvalu Campus

The Tuvalu Campus' first cohort for the Certificate in Teaching (Primary) began with 30 teachers. The training will improve teachers' pedagogy, literacy skills, assessment and curriculum development skills, standards, academic achievements, and practice. The Tuvalu Government is sponsoring 2 teachers, from each of the 10 primary schools to pursue the course, over 2 years on a part-time basis.



Discussions on Teacher Training in the Solomon Islands

Teaching and education issues confronting the Solomon Islands were the foci of discussions between the School of Education (SOEd) and the Hon John Dean Kuku, the Solomon Islands Minister for Education at the Laucala Campus on 16 February. The SOEd has assisted the Solomon Islands with the training of unqualified teachers in Lata and Makira Provinces.



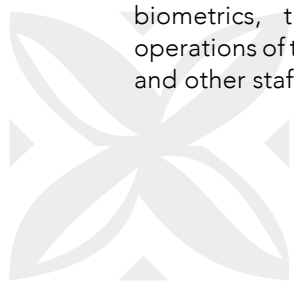
2018 USP Staff Forums

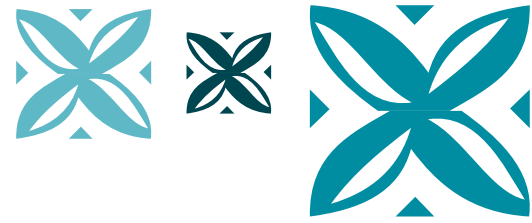
USP staff were briefed by the SMT and invited to provide feedback during the biannual staff meetings, held on 14 March and 14 September. Some of the discussions included the implementation of biometrics, the safeguarding of data, general operations of the Human Resources (HR) department and other staff related matters.



Open Education Week 2018

To create awareness of Open Educational (OE) practices at USP and to celebrate Open Education Week, the Centre for Flexible Learning (CFL) organised an OE Forum on 15 March. Professor Richard Coll, Deputy Vice-Chancellor Learning, Teaching and Student Services discussed the transition from traditional print textbooks to digital learning spaces.





Mangrove Reforestation Project in Fiji

A team from the Institute of Applied Sciences (IAS) continued the implementation of the Restoration of Ecosystem Services and Adaptation to Climate Change (RESCCUE) project with activities in 6 villages in Nakorotubu, Ra Province, Fiji from 5-10 February. The activities included mangrove and coastal tree planting, as well as mapping existing work as part of the coastal community-based protected areas, mangrove protection and fisheries management initiatives.



2018 Student Forums

USP held 2 student forums in 2018, on 14 March and 14 September, to update students on key developments at the University and to hear their concerns. Students were briefed on the WASC Senior College and University Commission (WSCUC) Accreditation process, as well as the rationale behind USP's involvement in it. Issues raised by students included the General Service Fees, the Buddy System for students with disabilities, and on-campus accommodation.



Fifty-two Gold Medalists in 58 Categories

A total of 52 students received gold medals in 58 categories during the annual Medals and Prizes Ceremony held on 20 March. Of the 52 awardees, 27 were females. Three students were awarded the Vice-Chancellor and President's All-Rounder Award. The awardees represented several Member Countries, including Fiji, Kiribati, Niue, and Republic of the Marshall Islands, Samoa, Tonga, and Vanuatu.



50th Anniversary Commemorative Monument Unveiled

Hon Josaia Voreqe Bainimarama, Prime Minister of Fiji, and Hon Ron Mark, New Zealand's Minister for Defence, unveiled the Commemorative Monument to the 5 Squadron of the Royal New Zealand Air Force (RNZAF) on 23 March in celebration of the 50th Anniversary of the University. Around 150 veterans of the 5 Squadron, and current members of the RNZAF, travelled to Fiji for the occasion.



High Level Consultations with Australia

High Level Consultations between USP and Australia's Department of Foreign Affairs and Trade (DFAT) took place in Canberra on 19 March. Discussions focused on the current USP-Australia Partnership and a new Partnership Agreement with the same timeframe as the new Strategic Plan. A further round of consultations was held jointly with Australia and New Zealand on 13 November, at which the Australia-USP Enhancement of Quality Teacher Education Project was discussed.



Meeting of CROP ICT WG

The Council of Regional Organisations of the Pacific (CROP) ICT Working Group (WG) met at the Laucala Campus on 28 March. Professor Rajesh Chandra, USP's VC&P in his capacity as Chair of the CROP ICT WG, reiterated its importance under the Framework for Pacific Regionalism. The meeting heard about progress made on the Pacific Regional ICT Strategic Action Plan (PRISAP) was shared at the meeting.



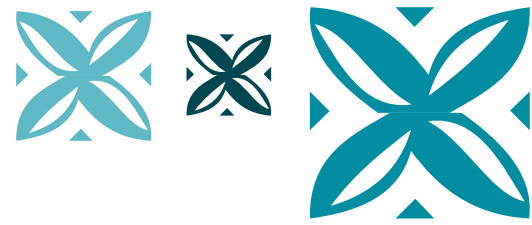
WiFi and Smart Classrooms for Tuvalu

The Tuvalu Campus invited the community to help celebrate the launch of its WiFi and 2 Smart Classrooms on 25 April. Chief Guest and Minister of Education of Tuvalu, Hon Mr Fauoa Maani stressed the importance of the Smart Classrooms, which have the latest audio-visual projection technology and high-end surround sound systems that allow students and other users to interact with online participants, using tools such as REACT, Zoom and Blue Button.



USP Victory in the EU - Fiji University Quiz Challenge 2018

USP won the European Union - Fiji University Quiz Challenge, held at the Laucala Campus on 7 May, for the second time. The win was dedicated to the University as it celebrated its 50th Anniversary. The team captained by Neekhil Prasad included Jale Samuwai, Raichal Prakash and Shameera Saheed.



High Level Consultations (HLC) with New Zealand

High Level Consultations (HLC) with New Zealand's Ministry of Foreign Affairs and Trade (MFAT) were held on 16 April to address the University's future partnership with New Zealand. During the second round of consultations on 13 November, another joint initiative with New Zealand, the USP-New Zealand USNet Enhancement Project, was discussed.



Donation of Braille Eye-Slates to the Samoa Blind Persons Association

The University donated a Braille Eye-Slate, invented by USP Masters student Mr Nikhil Singh, to the President of the SBPA, Ms Mataafa Faatino Utumapu, in Samoa on 27 April. The University encourages its staff and students to carry out research that will benefit the region, and this invention is a perfect example of this. Braille Eye-slate is an educational device to teach basic Braille to visually impaired children. It is small, affordable, and easy to use.



Assistance for the Tongan Health Ministry

A project aimed at supporting the prevention of non-communicable diseases (NCDs) in Tonga was made possible through the Institute of Education's (IOE) Waka Publications programme. Waka Publications collaborated with the Canada Fund for Local Initiatives (CFLI), the Tonga Ministry of Health, and Tonga Ministry of Education & Training to develop and print 10 picture books with valuable messages for pre-primary aged children.



New USP Nauru Campus

The new Campus in Nauru's Yaren District, jointly funded by Australia and Nauru, was officially opened by HE David Adeang, the Acting President of Nauru on 21 May. Hon Charmaine Scotty, Nauru's Minister for Education said the opening of the new Nauru Campus marks a new era in education for its people.





USP Council Meetings

The 86th Council Meeting was held in Nauru from 22 – 23 May and the 87th Council Meeting was held in Suva on 1 – 2 November. The opening of the new Nauru Campus, signing of the USP convention by Niue, and the debut of the 50th Anniversary song in the Nauruan language featured at the May Council Meeting, which was officially opened by HE David Adeang. The November Council approved the Strategic Plan 2019-2024. Council Members at both meetings participated in Strategic Plan Workshops.



Announcement of New Vice-Chancellor and President for USP

Professor Pal Ahluwalia was formally named the new Vice-Chancellor and President (VC&P) of USP at the 86th Council Meeting in Nauru. Professor Ahluwalia took up his new role as VC&P in January 2019. Professor Ahluwalia was selected for this position after a rigorous and thorough selection process by the University's Joint Committee of Council and Senate.



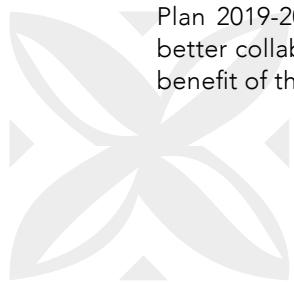
PIC Diplomats Briefing

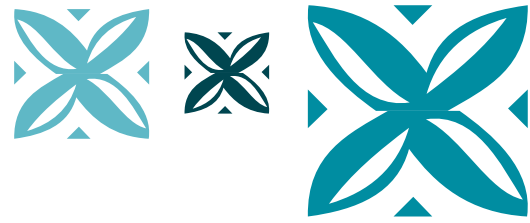
USP held its 2018 Briefing Session with Pacific Island Countries' (PICs) diplomats (based in Fiji) on 18 June. The meeting updated the Diplomatic Corps on the University's recent achievements and key strategic engagements in the region; provided an update on the development of the new Strategic Plan 2019-2024; and discussed means of fostering better collaboration with Member Countries for the benefit of the region.



Conclusion of the LALI Project

The findings of the Literacy and Leadership Initiative (LALI), overseen by USP's Tonga-based Institute of Education (IOE), were presented to Hon Penisimani 'Epenisa Fifita, Tongan Minister for Education. The 4-year project was designed to improve student literacy and learning in primary schools and teacher practices in the classroom and school leadership, and build strong foundations at the Ministerial level.





Deep Sea Temperature Monitoring & Wave Forecasting

The Pacific Centre for Sustainable and Environmental Development (PaCE-SD) played a vital role in a joint scientific effort to deploy a deep-water temperature-monitoring mooring and surface wave buoy off the Shangri-La Fijian Resort, Yanuca Island, Fiji on 2 May. The buoy will provide real-time online information about wave conditions and deep-ocean temperatures.



Pacific Response to Climate Change

USP contributed to the publication of the first Pacific Marine Climate Change Report Card which was launched on 8 June in Fiji and Samoa as part of World Oceans Day. The Report's key message was that Climate Change is increasingly putting the fundamental needs of ocean-dependent Pacific communities at risk.



Vanuatu In-Country Science Programme

From Semester 2, students in Vanuatu were able to take select full science degree programmes at the Emalus Campus through the Vanuatu In-Country Science Programme (VISP). The VISP is a cohort teaching model developed by FSTE. The Government of Vanuatu has pledged to provide 80 scholarships for in-service science teachers across Vanuatu.



USP Convention Made Effective

The USP Convention came into effect from 16 June. The Fiji Government, as depository, informed USP Member Countries of this fact formally through HE Ratu Tui Cavuilati, Fiji's Roving Ambassador to the Pacific. In addition, Mr Winston Thompson, Pro-Chancellor and Chair of Council deposited the Instrument of Signature by Niue and original signed Instrument of Ratification from Vanuatu at the Fiji Ministry of Foreign Affairs in Suva on 4 July.



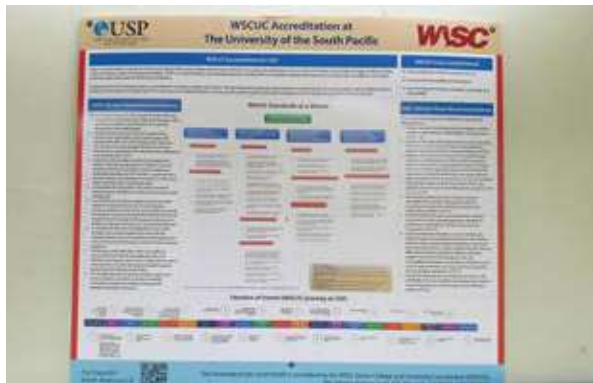
Pacific Update Conference 2018

The Fijian Minister for Waterways, Hon Mahendra Reddy, officially opened the 2018 Pacific Update Conference at USP on 5 July. The two-day Pacific Update Conference was jointly hosted by the Australian National University’s Development Policy Centre and USP’s School of Economics. It is the premier forum for the discussion of key public policy issues in the region.



Public Lecture by the Prime Minister of PNG

Hon Peter O’Neill, Prime Minister of Papua New Guinea, delivered a public lecture on Pacific Regionalism on 9 July. Hon. O’Neill mentioned that as global citizens, “our responsibility is to try and encourage trade and investment.....we must engage as a region and we must engage more meaningfully and globally as well.”



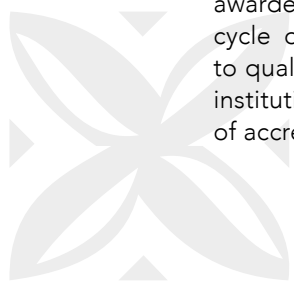
American Accreditation for USP

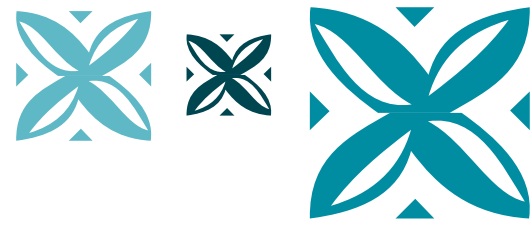
USP received an Initial Accreditation from the US-based Western Association of Schools and Colleges (WASC) Senior College and University Commission (WSCUC), valid for a term of 6 years, from July. This accreditation is without conditions, and was awarded because WSCUC deemed USP to be in a cycle of continuous improvement and committed to quality across its operations. This means that the institutional quality of the University is similar to that of accredited universities in the United States.



Commendation from the UGC for Significant Progress

The University Grants Committee (UGC) held its Triennial Meeting 2019-2021 at the Laucala Campus from 16-19 July. The UGC applauded the University for achieving a high number of internationally accredited and recognised programmes. It also made several recommendations, including the need for a Mid-Term Review before the Regional Finance Minister’s Meeting in 2020.





Official USP Mobile App Launched

USP launched its official Mobile App on 19 July. Three other apps, including the USP Campus Map App, the Events App, and a Student Academic Services (SAS) app were also launched. In launching these apps, Professor Chandra, USP's VC&P said that there is little doubt that the world is now a fully knowledge and innovation-based economy and society, and everyone is at the cusp of accelerating digital transformation.



2018 USP Open Day

The 2018 Open Day was opened by Hon Josaia Voreqe Bainimarama, Fiji's Prime Minister, at the Laucala Campus on 27 July. In his keynote address, Hon Bainimarama said he was delighted to be able to speak directly to so many young Fijians. Approximately 10,000 students were present at the Laucala Campus, 2000 at the Lautoka Campus, and 1000 in Labasa.



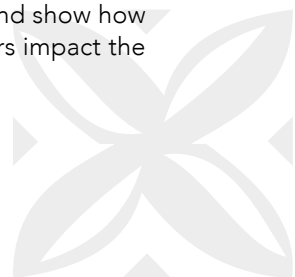
Installation of USP's 25th Chancellor

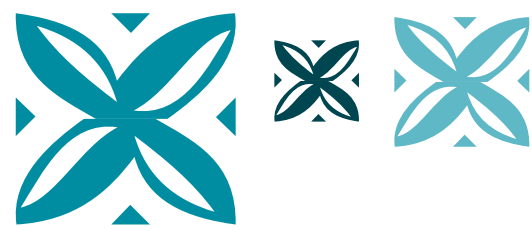
USP installed its 25th Chancellor, His Excellency Taneti Maamau, President of the Republic of Kiribati during the Kiribati Graduation Ceremony on 3 August. Appointed President of Kiribati in March of 2016, H.E. Maamau is a veteran civil servant who has served as Deputy Secretary and Permanent Secretary in the Ministry of Finance, the Public Service Office, the Ministry of Education and the Ministry of Commerce, Industry and Cooperatives. He graduated from USP in 1982 with a BA in Administration and Sociology and went on to earn a Postgraduate Diploma in Business Administration from the University of Sydney and a Masters of Economic Studies from the University of Queensland.



USP Research Week Opened By Samoan PM

The Prime Minister of Samoa and Chair of the Pacific Islands Forum (PIF), Honourable Tuilaepa Lupesoliai Neioti Aiono Dr Sa'ilele Malielegaoi, officially opened the USP Research Week on 27 August. Hon. Malielegaoi said that USP has contributed towards the shaping of the Framework for Pacific Regionalism. Research Week is an opportunity for USP to highlight such achievements and show how the work of its scholars and researchers impact the region.





Pacific Skills Partnership Initiated

As Chair of the 49th Pacific Islands Forum, the Republic of Nauru initiated the Pacific Skills Partnership (PSP) in collaboration with USP and the Australia Pacific Training Coalition (APTC). The PSP reaffirms the vital link between skills and sustainable development in the region.



Bioprospecting Samples Database Created by IAS

USP's Institute of Applied Science created the South Pacific Region's first Bioprospecting Samples Database (BSD). This was launched at The Pearl Resort in Pacific Harbour, Fiji on 20 July. The BSD was funded by the Global Environment Facility (GEF) - Nagoya Protocol Access and Benefit Sharing (ABS) project. Through the project, IAS staff trained community members in taxonomy and gained complementary traditional knowledge from community members.



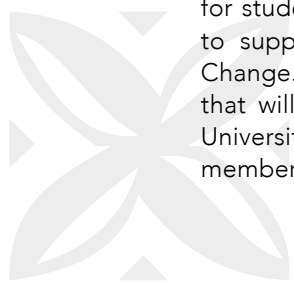
Royal Visit to the Laucala Campus

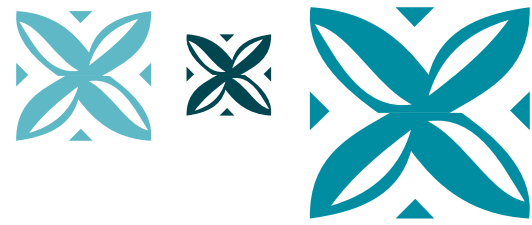
USP hosted Their Royal Highnesses, the Duke and Duchess of Sussex, Prince Harry and Meghan on 24 October as part of their official visit to Fiji. The Duke launched 4 new Queen Elizabeth scholarships for students from the Caribbean and Pacific regions to support more young people studying Climate Change. Her Royal Highness announced 2 new grants that will be awarded to USP and the Fiji National University for workshops that empower female members of staff.



50th Anniversary Book

Professor Rajesh Chandra, USP's VC&P revealed a commemorative book, published to mark the University's 50th Anniversary on 29 October. "A University for the Pacific, 50 Years of USP" chronicles the development of this unique institution that has contributed extensively to its Member Countries.





Engagement with Development Partners

A forum to facilitate discussions between USP and its Development Partners was held on 19 September. The meeting provided a space in which USP could receive comments on the draft USP Strategic Plan (2019-2024) and discuss ways in which Development Partners could assist. USP provided information on projects that require financial or technical support.



Training for Regional Fisheries Officers

USP's Pacific TAFE and the Pacific Islands Forum Fisheries Agency (FFA) began to collaborate in 2016 to develop certified oceanic fisheries training programmes for the region. The Certificate IV in Fisheries Enforcement and Compliance, offered by USP and certified by FFA, is comprised of 8 months of online distance learning and a week of face-to-face competency-based assessment. One hundred eight fisheries officers have graduated, and the 2018 cohort had 42 more students.



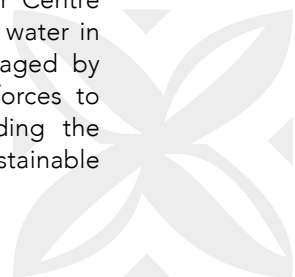
New Vernacular Programme at the Tonga Campus

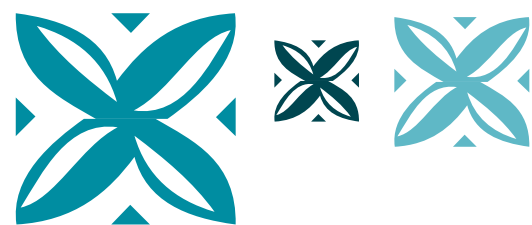
The Tonga Campus and Institute of Education created history with the launch of the Bachelor of Arts in Pacific Vernacular Language (Tongan and Niufo'ou) on 14 November. The new programme, which will begin in Semester 1, 2019 with the course TG111 titled 'Tongan and Niufo'ou 1', is aimed at skilled teachers, news reporters/journalists, Members of Parliament, and professionals who mainly use the Tongan and Niufo'ou languages.



USP and Griffith University to Establish the Pacific Water Centre

USP and Australia's Griffith University signed a Memorandum of Understanding (MoU) on 11 December to establish the Pacific Water Centre (PWC) at USP. The Centre's vision is that water in Pacific Island Countries should be managed by locally-trained skilled leaders and workforces to enable sustainable development, including the achievement of the water-related Sustainable Development Goals.





Five Honorary Doctorates Awarded

USP recognised 5 outstanding individuals with the Honorary Degree of Doctor of USP. The Recipients for the Honorary Degree of Doctor of Laws (LLD) were HE Sir Frank Kabui, Governor-General of Solomon Islands and former Chancellor of USP, Hon Henry Puna, Prime Minister of Cook Islands and former Chancellor of USP, and Ms Mere Pulea, Legal Consultant (Ret'd). The recipients for the Honorary Degree of Doctor of Letters (D.Litt) were Hon Fiaame Naomi Mata'afa, Deputy Prime Minister of Samoa and former Pro-Chancellor of USP and Mr Ikbal Jannif, CEO of Caines Jannif Limited, Chancellor of the Fiji National University and former Pro-Chancellor of USP.



Sports Symposium Opened By the President of Fiji

HE Major General (Ret'd) Jioji Konusi Konrote, President of Fiji and the 24th Chancellor of USP, officially opened the Inaugural Pacific Research Symposium on Sport and Sustainable Development at the Laucala Campus on 20 June. The two-day Symposium was designed to shape the future of the research agenda underpinning sport, sustainable development and public policy. A new Pacific Regional Sports Research Scholarship programme was also announced.



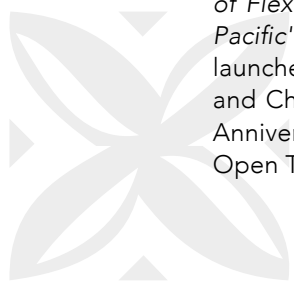
Books on Flexible Learning Commemorate USP's 50th Anniversary

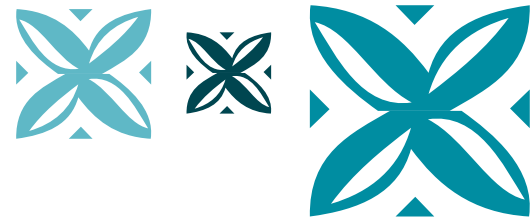
The Centre for Flexible Learning (CFL) presented 2 new books on Flexible Learning at the Laucala Campus on 30 August. The books titled, 'Fifty years of Flexible Learning at The University of the South Pacific' and 'Flexible Learning Footprints' were launched by Mr Winston Thompson, Pro-Chancellor and Chair of USP Council. In addition to the 2 50th Anniversary commemorative books, CFL launched 8 Open Textbooks at the event.



Pacific Islands Transport Forum

Hon Inia Seruiratu, Fiji's Minister for Agriculture, Rural and Maritime Development and National Disaster Management and Meteorological Services, officially opened the Pacific Islands Transport Forum and Expo, held from 8 – 10 November. Hosted by Fiji and the Republic of Marshall Islands (RMI), together with USP, the event sought to prioritise transport decarbonisation; showcased the latest science and technology available; set clear pathways for national action plans under a coordinated regional transition programme; and brought together stakeholders.





USP Heritage and Arts Festival

Professor Derrick Armstrong, Deputy Vice-Chancellor, Research, Innovation and International, officially opened the "We are the Ocean" Heritage and Arts Festival on 18 July. Organised by the University's Oceania Centre for Arts, Culture and Pacific Studies (OCACPS), the week-long festival brought together living culture, heritage and the arts in a fun and interactive way that engaged the community. The festival also promoted the Oceania Centre's academic offerings.



Debate held at the Niue Campus

The Niue Campus facilitated a healthy debate session as part of its "Moment to Shine" to mark the University's 50th Anniversary celebrations. Mr Hima Douglas moderated the topic: *Development in the South Pacific has significantly improved in the last 50 years because of USP's contribution*, which was debated by USP Alumni, including the Director of Education and the Head of Police, representing both the affirmative and negative sides.



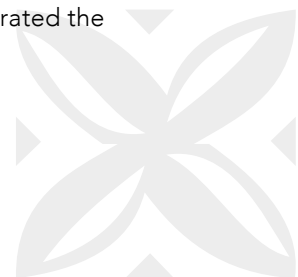
50th Anniversary Mural Unveiled

USP officially unveiled the 50th Anniversary Mural outside the Japan-Pacific ICT Centre at the Laucala Campus on 13 December. The mural, which was inspired by indigenous and local ideas and values that connect people to the land, sky, and sea, was painted by a team of artists, namely Anare Somumu, Lingikoni Vaka'uta, Josaia McNamara, Jeke Lagi and William Camakau, who were commissioned by the 50th Anniversary Committee. The mural titled 'Celebrating the Pacific' reflects the 50th Anniversary theme: 'Celebrating the Pacific, Shaping its Future'.



Sealing of the 50th Anniversary Time Capsule

USP sealed the 50th Anniversary Time Capsule at the Laucala Campus on 13 December. The time capsule is kept in a glass box in the Vice-Chancellor's foyer with a list of the 50 events that commemorated the 50th Anniversary Year.





1978 - Traditional Learning and Teaching

Learning and Teaching



2018 - Students make use of smart classrooms



USP's provision of higher education suits the Pacific context, making our graduates marketable and readily employable both in the region and overseas. The University enables the success and achievement of Pacific learners by recognising the value that diverse backgrounds and experiences bring to the classroom. Its instructors use innovative teaching methods and tools to deliver accessible and customisable programmes (in terms of mode, location, and time basis), and unique and challenging practical learning experiences.

The University has always believed, and students and employers have always trusted, that it offers education of the same or better quality to its competitors overseas. This claim is evidenced by the results of ongoing institutional quality audits, external programme reviews and accreditations, and the recognition of national higher education commissions and authorities. A major highlight of 2018 was the grant of Initial Accreditation, valid for a period of 6 years, from the esteemed **WASC Senior College and University Commission (WSCUC)**, which is based in the United States. The official statement viewed at <https://www.wscuc.org/institutions/university-south-pacific>.

The University also completed the Strategic Plan's initiatives designed to transform the pedagogy and curriculum, ensure programme relevance and responsiveness to regional needs, improve teaching quality, and provide assurance of consistent and well-structured academic programmes. These successes ensure that USP's academic programmes provide excellent value to both students and stakeholders.

PEDAGOGY AND CURRICULUM REVIEW AND DEVELOPMENT

The University is committed to an ongoing process of improvement and development in learning and teaching. The Office of the Deputy Vice-Chancellor (DVC) Learning, Teaching & Student Services developed the Curriculum Review and Development Plan, which serves as a framework for both curriculum review and the enhancement of undergraduate degree programmes. The implementation of this Plan also provides a mechanism for the University to address the requirements of institutional accreditation by WSCUC and other academic programme review and accreditation processes. The Curriculum Review and Development Plan commenced implementation in early 2018, primarily within the Faculty of Arts, Law and Education (FALE). The long-term goal is implementation in all 3 Faculties, and some work did begin in Faculty of Science, Technology and Environment (FSTE) and Faculty of Business and Economics (FBE).

The Office of the DVC Learning and Teaching led

curriculum review and development work while simultaneously building the capacity of academic staff members in this area, instilling in them a sense of ownership in ongoing improvements. In order to promote academic staff ownership of their curricula, the Office of the DVC started to use a collaborative model of staff development in which review and development work is undertaken in partnership with discipline teams. Since the formal inception of this process, considerable progress has been made with the review and enhancement of the curriculum and assessment of the following programmes: BEd (Early Childhood Education & Care); BEd (Primary); BEd (Secondary); BEd (Special and Inclusive Education); BA (Technical and Vocational Education and Training); LLB; BA (Literature); BA (Journalism); BA (History); BA (Psychology); BA (Social Work); BCom (Land Management). This work will continue in other academic areas in 2019.

TEACHING QUALITY

Learning and Teaching Forum

The annual Learning and Teaching Forum was held at the Laucala Campus on 30 August with the theme "Assessment in the Flexible Learning Space". The keynote speaker was Professor Geoffery Crisp who spoke on the skills and capabilities that our students will need as they live and work in a world dominated by technology, complexity and increasing uncertainty. He advocated for teaching and assessment to better develop students' capacity to meaningfully interact in complex environments with many stakeholders.

The Faculty Teaching Excellence Awards and the Vice-Chancellor's Award for Excellence in Teaching are also presented annually at the Learning and Teaching Forum. The FALE Teaching Excellence Prize was awarded to Mr. Pradeep Tiwari. Professor Anand Chand was awarded the Faculty Teaching Excellence Prize for FBE, and Dr Subhash Appana received the Teaching Excellence Prize for Pacific Technical and Further Education (Pacific TAFE). Professor Sushil Kumar was awarded the FSTE Teaching Excellence Prize as well as the 2018 Vice-Chancellor's Prize for Excellence in Teaching.

The Learning and Teaching Forum was much more than a single day event. It set the groundwork for discussions and inspired staff to change their approach to assessment. It also encouraged teaching staff, through the examples of the prize-winners, to challenge themselves to deliver their programmes more effectively. Forums such as this one, which bring in outside experts to offer insightful commentary on key areas of work, are one indication of USP's commitment to continuous improvement.

New Initiatives in Technology-Enhanced Learning and Teaching

The Centre for Flexible Learning (CFL) continues to use ICT to support and promote flexible learning and teaching and Open Education at the University. It undertook 7 new initiatives in 2018, namely 1) Digitization of Archival Material to promote digital learning at USP, 2) Evaluate the Blended Learning Experience, 3) Effective use and integration of technologies in support of FL at USP, 4) Exploring Online E-Exam Proctoring, 5) Learning Analytics, 6) Researching innovations in technology use in learning and teaching at USP, and 7) OER course conversion. It also worked to integrate OER (Open Educational Resources) in Learning and Teaching to increase student success through zero textbook costs and faster and cheaper course development. Eight open

textbooks were launched by CFL at the 50th Anniversary celebrations on 30 August at the Laucala Campus.

Customised Learning and Teaching



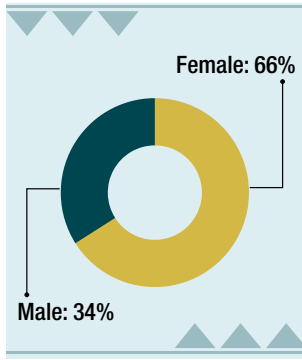

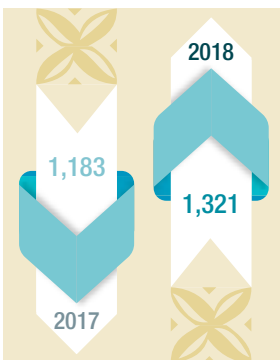
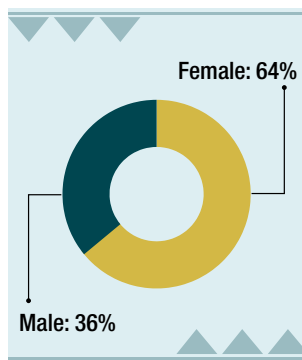


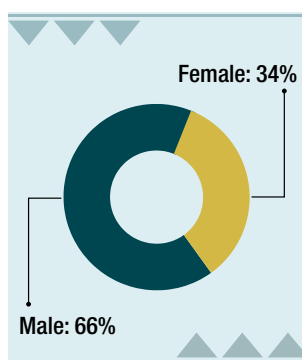

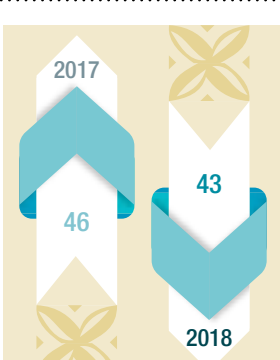
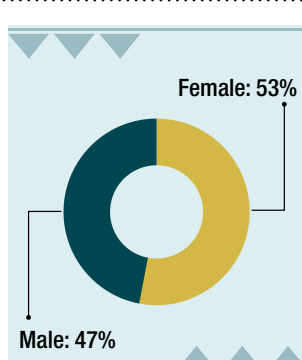

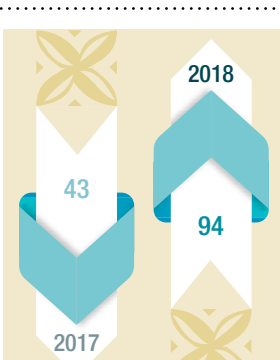
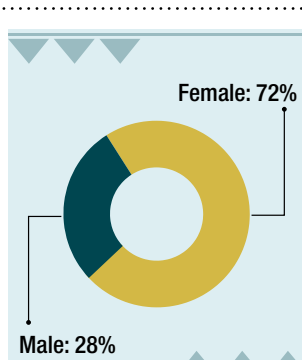
Pacific TAFE launched its inaugural Certificate of Competence programme at the Workforce Development Training Unit (WDTU) in Suva on 14 May. The Certificate of Competence programme is a new customised approach by the institution to align business results with an individual's capacity and capability to deliver those results.

MAJOR FOCUS IN 2019

The major focus in 2019 will be the commencement of the initiatives of the new Strategic Plan.

2018 GRADUATION AND OTHER AWARD CEREMONIES

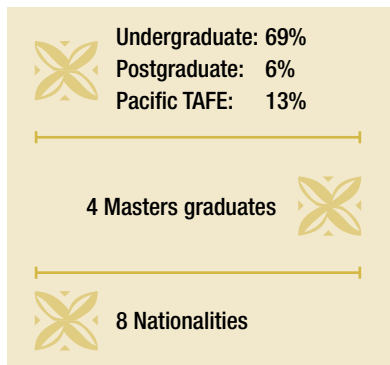
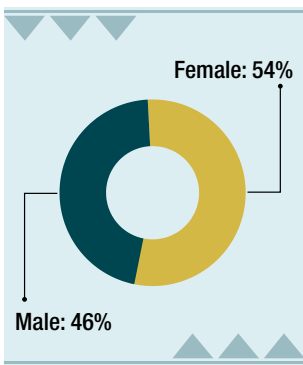
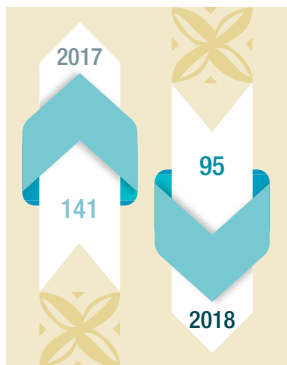
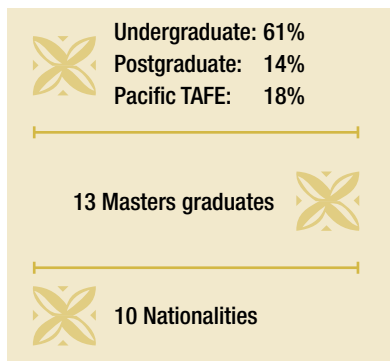
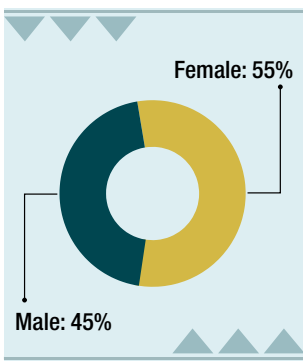
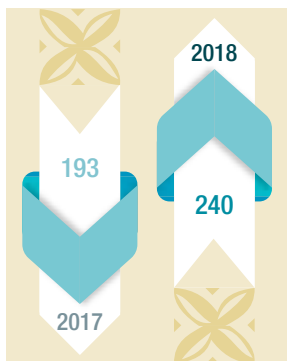
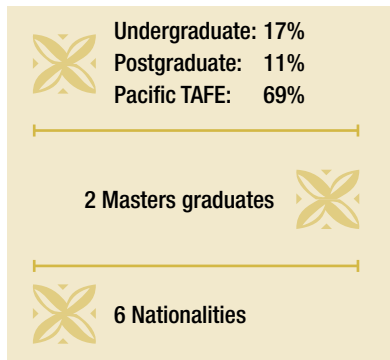
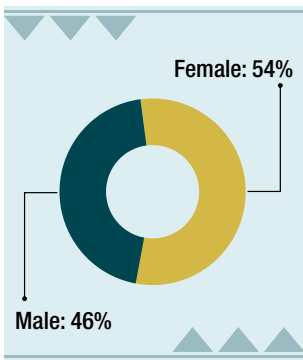
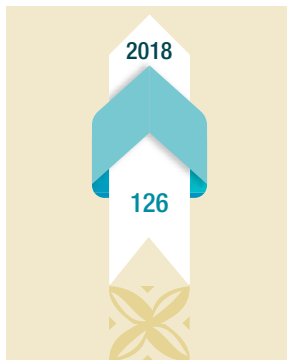
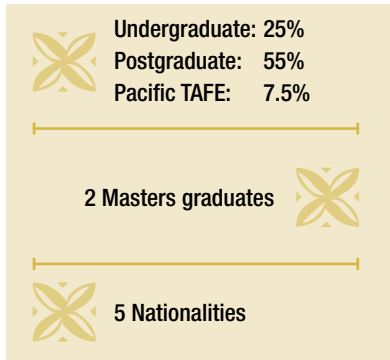
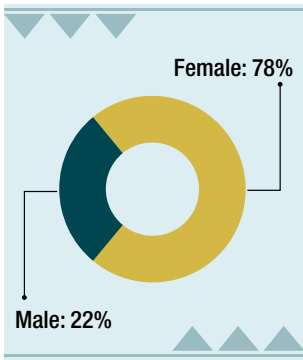
	No. of Graduates	Gender	Other Notable Achievements
 <p>LAUCALA CAMPUS 22 & 23 March</p>	 <p>2017: 1,680 2018: 1,774</p>	 <p>Female: 58% Male: 42%</p>	<ul style="list-style-type: none"> Undergraduate: 51% Postgraduate: 16% Pacific TAFE: 19% <hr/> <ul style="list-style-type: none"> 143 Masters graduates 5 PhD graduates <hr/> <ul style="list-style-type: none"> 28 Nationalities
 <p>NAURU CAMPUS 25 May</p>	 <p>2018: 48</p>	 <p>Female: 38% Male: 62%</p>	<ul style="list-style-type: none"> Pacific TAFE: 100% <hr/> <ul style="list-style-type: none"> 9 Nationalities
 <p>ALAFUA CAMPUS Samoan Parliament Cohort 14 June</p>	 <p>2018: 18</p>	 <p>Female: 11% Male: 89%</p>	<ul style="list-style-type: none"> This was a special graduation ceremony wherein 18 Samoan Parliamentarians graduated with the Certificate in Law (Civil).

	No. of Graduates	Gender	Other Notable Achievements
 <p>KIRIBATI CAMPUS 3 August</p>	 <p>2018 99</p>	 <p>Female: 66% Male: 34%</p>	<ul style="list-style-type: none"> Undergraduate: 46% Postgraduate: 24% Pacific TAFE: 28% <hr/> <ul style="list-style-type: none"> 1 Masters graduates <hr/> <ul style="list-style-type: none"> 2 Nationalities
 <p>LAUCALA CAMPUS 20 & 21 September</p>	 <p>2018 1,321 2017 1,183</p>	 <p>Female: 64% Male: 36%</p>	<ul style="list-style-type: none"> Undergraduate: 42% Postgraduate: 20% Pacific TAFE: 29% <hr/> <ul style="list-style-type: none"> 118 Masters graduates 6 PhD graduates <hr/> <ul style="list-style-type: none"> 18 Nationalities
 <p>SOLOMON Is CAMPUS 25 & 28 September</p>	 <p>2018 1,211</p>	 <p>Female: 34% Male: 66%</p>	<ul style="list-style-type: none"> Undergraduate: 11% Postgraduate: 6% Pacific TAFE: 8% <hr/> <ul style="list-style-type: none"> 5 Masters graduates <hr/> <ul style="list-style-type: none"> 10 Nationalities
 <p>MARSHALL Is CAMPUS 2 October</p>	 <p>2017 46 2018 43</p>	 <p>Female: 53% Male: 47%</p>	<ul style="list-style-type: none"> Undergraduate: 21% Postgraduate: 16% Pacific TAFE: 35% <hr/> <ul style="list-style-type: none"> 10 Masters graduates <hr/> <ul style="list-style-type: none"> 4 Nationalities
 <p>TONGA CAMPUS 19 October</p>	 <p>2018 94 2017 43</p>	 <p>Female: 72% Male: 28%</p>	<ul style="list-style-type: none"> Undergraduate: 57% Postgraduate: 4% Pacific TAFE: 29% <hr/> <ul style="list-style-type: none"> 8 Masters graduates <hr/> <ul style="list-style-type: none"> 3 Nationalities

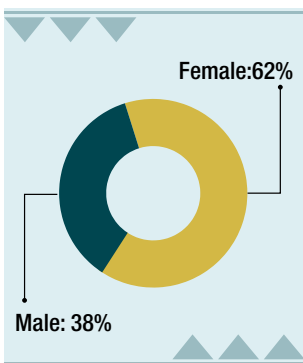
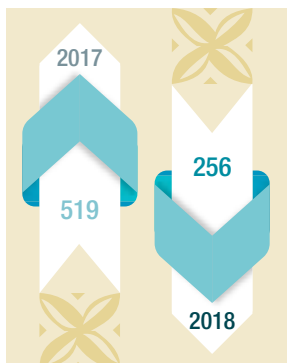
No. of Graduates

Gender

Other Notable Achievements



OTHER AWARD CEREMONIES





*1992 - Staff provide
academic advice*



Student Support



*2018 - USP continues
to improve its service
delivery*



The purpose of student support at USP is two-fold; the University provides facilities, services, and opportunities to ensure that students are happy and satisfied with their living and learning experience, and it also offers various types of academic support to boost achievement and ensure timely graduation.

All Faculties take different approaches to academic assistance and carefully monitor the progress of their students to ensure that all keep focused on their goals. There are some programmes, especially those relating to disability access, that are common to all Faculties and Campuses. Campus Life outside of the classroom is more student-led, with clubs and activities promoting themselves to prospective participants.

ACHIEVEMENT OF SP 2013-2018 OBJECTIVES

During 2018, USP achieved its Student Support Objectives 5-8, namely: i.e. Improve the Equity of Student Services; Create a Student Community with High Levels of Awareness of Health and Safety Issues and Respect for Others; Improve Attendance, Retention and Pass Rates, and Promote Pacific Consciousness and Cohesiveness. The achievement of these objectives was measured by the completion of their strategic initiatives.

EQUITY OF STUDENT SERVICES

In accordance with the USP Disability Policy, new campuses were equipped with accessible facilities. The University also increased its Student Bursary Scheme to FJD 1 million, with all eligible applicants approved. Furthermore, FJD 150,000 was allocated for scholarships for students with disabilities. USP also began to modify its 2nd Hall and B Block to make those more accessible and developed plans to install a lift in the FALE Building.

HEALTHY AND RESPECTFUL STUDENT COMMUNITY

Life in the Halls of Residence promotes a sense of community, but, for the students who live elsewhere, USP organised a wide variety of healthy and safe social activities to bring them together. Consistent with its aim to promote good health and prevent NCDs, USP held Sexual Health Awareness Workshops, Blood Drives, and organised exercise activities. Sporting events grew in scope and popularity, indicating that more and more students appreciate the value of being active and being part of a team. During 2018, students also enjoyed a schedule of regular inter-cultural activities including Pacific Market Days and the highly successful Sunday Markets. Those events helped students to respect and appreciate other cultures, mainly through the universal language of food.

STUDENT LEARNING SUPPORT

The University requires 60% attendance at tutorials, as attendance has been found to be crucial to student success. Institutional data, including pass rates, first year retention rates and cohort completion rates, indicates that student success at USP is comparable to the levels achieved at comparator universities. The University is, nonetheless, committed to improving on its performance, as all USP students deserve to, and should, achieve their academic goals.

Educational Performance Indicators (EPI's) have shown that the principal factor in student academic success is not mode of study or location, but rather full-time or part-time status. Therefore, the progress of part-time students is monitored very closely, and there are plans to improve this in the future. The progress of all first-year students is monitored by the University's First Year Experience (FYE) Coordinators. The University also appoints over 200 Student Mentors annually to assist new and continuing students.

Following the establishment of its Student Learning Support (SLS) centre in Tuvalu, there are now SLS Specialists at 9 Regional Campuses. Another programme, known as the Peer Assisted Study Sessions (PASS) Programme, continued in 2018. PASS sees top students from previous semesters facilitate scheduled tutoring hours each week for current students. The Peer Assistants submit lesson plans and activity sheets throughout the semester to ensure consistency of support.

PACIFIC CONSCIOUSNESS AND COHESIVENESS

The University's identity as a Pacific regional institution, comprised of 12 Member Countries with many cultures and languages, is extremely important, and all staff and students are expected to understand and embrace this. The University takes pride in knowing that, through its efforts, all students leave the University with a heightened awareness of what it means to be a Pacific Islander and understand the major issues and challenges unique to the region. Students are not expected to just assimilate this knowledge; the University puts on a wide variety of events, activities, workshops, and seminars that share, teach, and celebrate Pacific Island cultures. USP is very proud to be home to the Pasifika Voices choir and the Oceania Dance Group.

USP LIBRARY

The Library works strategically and refers to international best practice for quality assurance. The Library's main achievements in 2018 were (i) the opening of new libraries at the Nauru and Kiribati campuses; (ii) renovation of

the Level A at Laucala into a Learning Commons; (iii) the embedding of the Information Research Skills (IRS) programme as a mandatory requirement for postgraduate students; (iv) being given the University' lead role in Research Skills Development awareness and training; (v) expanding the print and e-resources collections within a static budget; (vi) digitisation of Pacific resources for enhanced access; and (vii) the implementation of a marketing policy and branding of the Library assisted by active participation in the University's 50th anniversary celebrations.

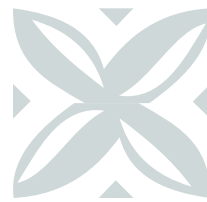
MAJOR FOCUS IN 2019

The major focus in 2019 will be the improvement of the quality and equity of Student Services across all campuses. USP will create a student community with high levels of empowerment and awareness of health and safety issues and respect for others.

To play its part in student success the Library will:

- (i) Design a new Library Strategic Plan that reflects innovative practices and includes new technologies;

- (ii) Make a concerted effort to collaborate with comparator institutions libraries and other external organisations;
- (iii) Continue to develop Campus Libraries to achieve equitable access to personnel and services;
- (iv) Grow information literacy by engaging with a minimum of 50% of 200-300 level undergraduates;
- (v) Strengthen engagement with faculties and researchers and promote greater involvement of library professionals in faculty based research; and
- (vi) Enhance the quality of all its services from a perspective of valuing the user experience.



An interpreter from the Disability Resource Centre assists a deaf student with her studies



1979 - Graduate technicians in Alafua Campus research lab

Research and Internationalisation



2018 - Research has become an integral part of USP



Research at the University is thriving; in fact, USP registered 233 internationally recognised publications indexed by Scopus in 2018. This is the highest-ever number, surpassing the previous record of 214, set in 2017. Journal articles accounted for almost 55% of the publications in 2018.

More research in areas requested by Member Countries. The level of internationalisation, as measured by student and staff travel, incoming and outgoing guest scholars and researchers, and international collaborations has also increased, strengthening and enlivening USP's academic community.

The year 2018 saw achievements in both research and internationalisation feature in the 50th Anniversary celebrations. Those occasions were a valuable opportunity to promote USP's research and international activities through exhibitions, forums, seminars and displays at the campuses.

AWARDS

USP's staff were rewarded by both the University and by external bodies in 2018 for their outstanding efforts in research. The 7th Research Excellence and Innovation Awards Evening, held on 16 November, honoured staff and students for their research in 2017. More than 100 academic staff were recognised for publications in highly-ranked journals or inventions that received patent certification. A total of 70 A/A* publications and 112 B-ranked publications were acknowledged, as were 3 patents in the area of Engineering and IT.

Several researchers were recognised by external bodies, including Emeritus Professor Subramaniam Sotheeswaran who received a Lifetime Research Award from the Asian Symposium for Medicinal Plants, Spices and other Natural Products (ASOMPS XVI) in December; Professor Elisabeth Holland who was elected a fellow of the American Association for the Advancement of Sciences (AAAS), also in December; and Associate Professor Gurmeet Singh, who received the 'Excellent Researcher Award' by the Research Excellence and Academic Awards (REAA) 2018.

IMPACTS OF USP'S RESEARCH

Several outstanding research projects conducted in 2018 had wide-ranging impacts, including:

1. Research on Microplastic Pollution: Associate Professor Dr Marta Ferreira presented the first results on microplastic pollution in Fiji's coastal environment at the International Conference on Plastics in the Marine Environment, held in Singapore in December.

2. Sustainable Transport in the Pacific Island Countries: The Sustainable Transport Project received an investment of around USD 2.5m from the China Navigation Company in November. The funds were invested to support the building of a low-cost, low-carbon, and low-tech freighter as a possible alternative sea transport option for communities in Oceania.
3. Local Mitigation of Ocean Acidification Project: The Institute of Applied Sciences (IAS) was awarded a Blue Carbon Habitat Restoration contract on 1 October to pilot the use of Blue Carbon for the local mitigation of Ocean Acidification (OA) in Fiji.
4. Bioprospecting Samples Database Project: The region's first Bioprospecting Samples Database (BSD) was created by IAS and launched on 20 July.
5. LALI Project: The findings of a Literacy and Leadership Initiative (LALI), overseen by the Tonga Campus-based Institute of Education (IOE), were presented to Hon. Penisimani 'Epenisa Fifita, Tonga's Minister for Education, on 14 June.
6. Deep Sea Temperature and Monitoring: The Pacific Centre for Environment and Sustainable Development (PaCE-SD) played a vital role in a historic joint effort to deploy a deep-water temperature-monitoring mooring and surface wave buoy off Yanuca Island, Fiji on 2 May.
7. Sports Development in Pacific Island Countries: The project 'Maximizing the Contribution of Sport to the Economic and Social Development of Pacific Island Countries: The case of Fiji (Ministry of Youth and Sports) and Samoa (Ministry of Education, Sports and Culture), contributed to boosting the status of sport as an industry and valuable export. USP and the Oceania National Olympic Committee (ONOC) announced a jointly funded Pacific Regional Sports Research Scholarship programme. The new scholarships are designed to build the research capacity at USP in line with the University's strategic research themes, strengthen the evidence base on the contribution of sport to sustainable development, and inform policy development and regional investments in and through sports in Pacific Island Countries and Territories.

REGIONAL AND INTERNATIONAL RESEARCH COLLABORATION

There were several successfully forged international research collaborations in 2018, including:

1. WeRobotics and the South Pacific Flying Labs: On 27 November, WeRobotics and USP agreed to build inclusive participation and local expertise in the application of emerging technologies, such as Unmanned Aerial Vehicles (drones), to bridge the digital divide.
2. Innovation Hub Project: The United Nations Development Programme (UNDP) and USP agreed on 11 November to develop an Innovation Hub, which will be a co-working space or shared work environment where people from diverse industries, countries, and academic backgrounds will meet, work, network, share ideas and collaborate on projects.
3. Emergency Preparedness in the Pacific: The United Nations World Food Programme (WFP) and USP signed an agreement on 9 November to strengthen collaboration, improve training, and provide equipment for emergency preparedness activities in Fiji and the Pacific region.
4. Pacific-European Union Marine Partnership: On 5 September, the Forum Fisheries Agency (FFA), the Pacific Community (SPC), the Secretariat of the Pacific Regional Environment Programme (SPREP) and USP agreed with the EU to promote sustainable management and sound ocean governance in the Pacific region.
5. Ridge to Reef Project: IAS signed a multi-partnership agreement worth USD 1.5m on 17 October to improve climate resilience and sustainable livelihoods in Fiji. Funded by the Global Environment Facility (GEF), the three-year Ridge to Reef (R2R) project is facilitated by UNDP and the Fiji Ministry of Waterways and Environment.
6. Pacific Islands Universities Research Network (PIURN): PIURN, an initiative in which USP has been deeply involved, held its 3rd Biannual conference at the University of French Polynesia, Tahiti, from 8–10 October. Four areas were agreed for future collaboration, namely, (a) Food Security, Nutrition, Health & Non-Communicable Diseases; (b) Climate Change & Biodiversity, including Land Degradation; (c) Capacity Building, Data & Statistics; and (d) Social Development, Gender Equality & Education.

INTERNATIONALISATION

USP International develops and implements the University's international recruitment strategy, which is designed to address the KPIs outlined in the Strategic Plan. The year 2018 unfortunately saw a decrease in international enrolments, with 345 headcounts (222.41 EFTS) compared to 2017's total of 387 (222.41 EFTS) students, and the 2016 figure of 356 students (221.27

EFTS). While the decrease for 2018 was disappointing, the enrolments only declined by 42 students, and the 5 year trend shows an increase in international student numbers; current numbers compare favourably to the 304 enrolments in 2013.

Student recruitment is only one part of the process of campus internationalisation. The University also must provide excellent support to international students for the duration of their enrolment and include international students in alumni activities after their departure. Accordingly, there were a number of activities, including community service, village and beach excursions, and focus groups staged in 2018 to ensure that international students thoroughly enjoy their time at USP.

USP Student Exchange

In line with the Strategic Plan, USP International also worked to increase the number of opportunities for USP students to study overseas. A total of 17 undergraduate students participated in the USP Exchange Programme in 2018. Partial scholarships helped defray costs for students placed at partner institutions in Australia, New Zealand, Canada and Japan.

USP was represented at the International Education Association of Australia (IEAA) events held in Australia and New Zealand in March and April. Current students on exchange promoted USP at fairs at our partner universities in Canada in September and October. There was also an Exchange Fair staged at USP on 18 October that attracted more than 80 students.

European Union (EU) and Association of Commonwealth Universities (ACU) - funded Exchange Opportunities

Under the Erasmus Mundus programme, USP sent 1 PhD student each to the University of the West Indies and the National University of Samoa (NUS) for ten months. A USP alumnus was awarded a full Masters scholarship to NUS, and 1 member of staff attended a one-month programme at UWI.

As a member of the European Union's Erasmus + programme, USP partners with the Universidad de Valladolid (UVA), University of Timisoara, University of Tartu (UT), University of Ljubljana (UL) and the University of Göttingen (UG). USP hosted two staff in 2018 from UT. The visit created a platform for USP and UT to start a conversation on possible collaboration in Tourism Studies, which would be funded by the Erasmus + KA 107 programme. USP also welcomed the return of 7 students who had gone overseas as part of the mobility agreements.

USP selected a student from Nigeria to pursue a Masters of Science in Chemistry under the Association of Commonwealth Universities scholarship at USP.

Short Courses

Long Island University (LIU) visited USP from 10 – 14 September with a group of 19 students and one member of staff as part of a short course. Their visit included a series of lectures and a field visit.

USP International worked with Korea International Cooperation Agency (KOICA) to place their volunteers in the Intensive English Short Course programme, which was held over 6 weeks in June and July.

JENESYS 2018

The Japan-East Asia Network of Exchange for Students and Youths (JENESYS), is a cultural exchange initiative funded by the Government of Japan that enables Pacific Island students to travel to Japan for 9 days to explore various themes. The fully-funded study tours see participants engage with local government, organisations, educational institutions and communities. Upon their return, participants are expected to promote Japan and its culture in their communities and to take part in the activities of the Japan-Pacific Alumni Association (JPAA).

As the JENESYS programme has been very successful over several years, the Government of Japan invited USP to coordinate the JENESYS 2018 project. This was launched on 21 August at the Japan-Pacific ICT Multi-Purpose Theatre. The project received over 2,000 applications in total, of which 224 were successful. Participants, representing 14 PICs, Australia, and New Zealand, traveled to Japan between November 2018 and January 2019 in ten different groups, 9 of which were supervised by USP staff.

MAJOR FOCUS IN 2019

In 2019, the University will fund research that is aligned to the new Strategic Research Themes synthesised

from the UN Sustainable Development Goals (SDGs) and underpinned by Innovation, Empowerment & Sustainability:

1. Economic Growth, and Public & Private Sector Development (SDGs 1, 8, 9, and 11);
2. Oceans, Land & Climate (SDGs 6, 13, 14 and 15);
3. Education, Culture & Health (SDGs 2, 3 and 4); and
4. Governance, Justice and Equality (SDGs 5, 10, 16 and 17).

An area of great concern to Member Countries is the prevalence of NCD risk factors among Pacific Islanders. The University will address this concern by funding research in the broad area of Health Science.

In 2019, the University will also focus on meeting the requirements for ranking by the Times Higher Education. The league table of the THE World University Rankings is a global university performance table to judge research-intensive universities across all of their core missions: teaching, research, knowledge transfer and international outlook.

USP will continue to promote study abroad as an excellent opportunity for students and alumni, whatever their academic specialisation or previous travel experience.

The University also plans to increase international student numbers in 2019 by recruiting reputable agents in Australia, signing additional agreements with partner institutions to boost student exchange, and engaging in smarter online marketing in target markets. The international student experience at USP will be enhanced through the establishment of an International Student Advisory Committee to oversee, coordinate and monitor the student experience.



International Students during their Orientation Week tour



*1979 - Extension services
facilities satellite sessions*

Information and Communication Technologies



*2018 - USP.Net at
Laucala Campus*



Information and Communications Technology (ICT) plays a vital role in all aspects of USP's operations, and the quality of its provision, from infrastructure hardware to software applications and connectivity, influences the achievement of USP's students, staff, and researchers. USP intends for ICT to enhance the learning of its students, the work of its researchers, and the productivity of its staff. As a leader in ICT for education, USP aims to provide the most modern, convenient, and accessible ICT tools and services, an aim that is consistent with USP's ethos of continuous improvement and recognises USP's core functions that depend on ICT for success.

The Information Technology Services (ITS) section leads USP's activities in the area of ICT and aims to ensure that it can be used to improve the accessibility of USP's high-quality, relevant education and to support greater collaboration between researchers and scientists throughout USP's campuses in the Pacific Region and globally.

ITS has recorded numerous successes in 2018 and will use those achievements to inspire and kick-start further improvements in cost-effectiveness, connectivity, user satisfaction, and reporting for other sections of the University. Key accomplishments included infrastructure upgrades, analysis and refinement of new technologies that improve the learning experience, and the implementation of key recommendations from the Network Startup Resource Centre's (NSRC) review of USP's infrastructure and ICT services security. Those successes positively impacted students' satisfaction; 85% of students surveyed were satisfied with the standard of ICT services at USP.

USP CYBERSECURITY REVIEW

USP engaged the services of the NSRC team to review its ICT infrastructure and services security and make recommendations to strengthen its performance and resilience. The NSRC team comprised ICT experts from leading global firms like Apple, that provide training and expert advice for Higher Education ICT network organisations around the world, reported in April. The report included recommendations for; (i) Connecting USP to the Fiji Internet Exchange Point (IXP) - this was completed in Oct 2018; (ii) Consider a Commodity Internet Service Termination in Fiji (FINTEL); (iii) Consider implementation of an Acceptable Use Policy (AUP) as a means of controlling usage of network resources and eliminating by-pass networks - coupled with strong firewall controls and well-planned scalable WAN capacity plans.

ITS successfully implemented 95% of the Report's recommendations by the end of December. The remaining 5% will be implemented with the completion of the USNet Upgrade Project.

USNet Infrastructure Upgrade

The New Zealand Government-funded USNet Upgrade Project, was one of the major activities of the year. This project, designed to replace the USNet Satellite network at Laucala and the regional campuses, has two components, namely; (i) replacement of the end-of-life satellite antennae hardware and related equipment; and (ii) redesign of the network layer to optimise connectivity over the renewed satellite infrastructure. The first regional campus to be completed was Nauru in May. The project will be entirely completed by the end of 2019.

REGIONAL ICT INFRASTRUCTURE AND CONNECTIVITY

Given the demand for more online Learning and Teaching modalities, the University has notably progressed in its endeavour to improve campus connectivity in the region. Discussions and negotiations with Member Countries led to achievements in Samoa, Tonga, and Vanuatu.

Tui Samoa Cable

The Tui Samoa Cable was commissioned in January. USP then initiated discussions with available ISP providers at the Alafua Campus and, after a period of evaluation and negotiations, Blue Sky Ltd successfully installed a fibre-optic link for 20Mbps Internet Capacity in July. This resulted in increased capacity and stable service that has since improved connectivity to online resources for Alafua Campus users. There are ongoing discussions with the Government of Samoa on its strategy relating to ICT for Education and the possibility of a direct 100Mbps connection to the Laucala Campus using the Government of Samoa's network.

Tonga Cable

In mid-2018 the Government of Tonga granted the Tonga Campus a doubling of its fibre link capacity on the Tonga Cable system (from 100 Mbps to 200 Mbps). ITS closely follows the Tongan Government's plans to extend fibre link connectivity to USP Campuses on Vava'u and Ha'apai.

Emalus Campus Connectivity

The Government of Vanuatu granted USP additional bandwidth, increasing it from 50Mbps to 100Mbps. This has resulted in a much better user experience for staff and students at the Emalus Campus.

LECTURE CAPTURE

The recording, online storage and publication of lectures has had a real impact on the student learning experience as students are able to access most lectures on-demand, can clarify any points they might have missed, and can revise and review at any time. The Lecture Capture Team monitored and analysed the recording process, as well

as user behaviour, and found that most students are adaptable to the new system.

Matomo, which is Open Source Software, is used to track specific aspects of student usage of the recordings, and tracks information such as time spent, playback speed, and the most commonly replayed sections of video. To get more reliable data that will inform improvements to the Lecture Capture programme, the Team will also focus on enhancing the analytics software.

MAJOR FOCUS FOR 2019

ITS will consolidate its recent successes to secure improved connectivity for regional campuses. The USPNet Infrastructure Upgrade project will be completed in 2019. USP will continue to broker discussions with regional ICT industry players for new technology initiatives, such as submarine fibre cable or high throughput satellite (HTS) technologies, to progressively enhance connectivity to more regional campuses.

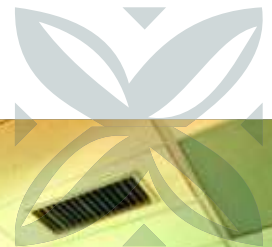
ITS will also look to improve the performance of the data centres that host USP's institutional server systems. Technologies like the Hyper-Converged Infrastructure (HCI) systems will be deployed to improve the performance, reliability and resiliency of USP's ICT services, while improving the cost-efficiency and minimising the carbon footprint of ICT operations. This will improve the provision of ICT resources to support regional teaching and learning plans while facilitating industry-standard infrastructure services to facilitate global research partnerships.

In seeking to further capitalise on the developments in Business Intelligence and Business Process Automation technologies, ITS will improve its institutional reporting capability by enhancing the quality, relevance and volume of reports generated using its enterprise reporting tools in Cognos, Ellician Banner Operational Data Store (ODS) and Banner Enterprise Data Warehouse (EDW).

Due to the Pacific Region's susceptibility to natural disasters and informed by the valuable lessons learnt from the 2018 communications building fire, IT will further consolidate its ICT services and infrastructure with industry-standard Backup and Disaster Resiliency Technologies implemented over USP's unique regional network. ITS will also deploy Network Operations Centre that will provide around-the-clock monitoring using industry standard technologies and processes.

ITS will review service contracts for key services such as USP's Internet Gateway (currently provisioned through AARNet) and USP's satellite bandwidth services (currently provided by SES New Skies and Intelsat) to ensure quality and cost-effectiveness.

With each passing year, the role of ICT in supporting USP's critical institutional functions in all key business areas becomes more important. ITS will continue to operate in a very future-focused manner, forecasting ICT needs and preparing well in advance to meet them so as to provide all of the USP community with the highest standards of ICT service.



An ITS Technician inspects one of the USP servers



1987 - Nauru Campus in its humble beginning

Regional and Community Engagement



2018 - The new Nauru Campus



The development of the regional campuses is one of the pillars upon which the Strategic Plan 2013-2018 was built. By the end of 2018, the regional campuses, in terms of their decision-making role, facilities, programmes, support services, and enrolments, had changed significantly as compared to 2013. While at the start of Strategic Plan implementation, Laucala was very much the centre of the University, after six years the regional campuses are much more integrated, are just as important as Laucala, and are crucial to the continued success of USP as a regional institution. The outcomes of the regional campus development projects have surpassed the Strategic Plan's Key Performance Indicator targets.

The University continued to work towards achieving excellence in regional and international engagement through its participation in Pacific Islands Forum (PIF) and Ministerial meetings and Council of Regional Organisations of the Pacific (CROP) Executives and related Working Group (WG) meetings. It effectively participated in the development and finalisation of 11th European Development Fund (EDF 11) under the Pacific Regional Indicative Programme (PRIP) and improved and continued linkages with donors, development partners and external stakeholders of USP. Partnership and relationships with various member country governments and other stakeholders are at an all-time high.

HIGHLIGHTS FROM THE REGIONAL CAMPUSES

Samoa (Alafua)

The laboratory facilities of the School of Agriculture and Food Technology (SAFT) were successfully upgraded. Classrooms were also equipped for the Lecture Capture System.

At the 'Moment to Shine' in June, part of the 50th Anniversary celebrations, there was a special ceremony held for the 18 Samoan Parliamentarians, including MPs, a Minister, and Assistant Ministers, who graduated with Certificate in Law (Civil) programme. The Deputy Prime Minister of Samoa and former Pro-Chancellor of USP from 2006-2012, Honourable Fiame Naomi Mata'afa, was conferred a Honorary Degree of Doctor of Literature.

A book titled '50 Years of Teaching Research and Training in Agriculture at the USP Alafua Campus' was presented to the Vice-Chancellor and President, Professor Rajesh Chandra and the Pro Chancellor during their visit in July.

Cook Islands

The Government of the Cook Islands and the University agreed to jointly fund a Centre for Research and Policy Studies at the Cook Islands Campus. Funding for this was identified in the Government's 2018/2019 budget. The

new Centre will ensure local supervision and support for Masters by Research and PhD students.

Vanuatu (Emalus)

The major achievement of the year was the start of the Vanuatu In-Country Science Programme (VISP), which began in Semester 2 with a cohort of 110 students. On 19 June, the launch of the highly-anticipated programme was attended by the Prime Minister of Vanuatu, Honourable Charlot Salwai, Minister of Education and Training, Honourable Jean Pierre Nirua, the Speaker of Parliament, Honourable Esmon Saimon, and the Pro-Chancellor and Chair of the USP Council, Mr Winston Thompson.

Kiribati

Dr Takuia Uakeia was appointed Campus Director and Lecturer for the Kiribati Campus in July. Additional classrooms were created at the ground floor space of the new campus building to meet growing demand. Backup generators were also installed.

Fiji (Lautoka and Labasa Campuses)

Enrolments at both the Lautoka and Labasa Campuses increased again in 2018, and Pacific TAFE expanded its operations with new centres in Namaka, Nadi and Lautoka. There is also a new space in Labasa that was secured to cater for increasing enrolments.

Marshall Islands

A major national education project, funded by the Asian Development Bank (ADB) and the Republic of Marshall Islands (RMI) Government, saw the beginning of USP's contribution in 2018. USP, as a participant in the 'Improving the Quality of Basic Education (IQBE)' project, will provide standards for principals/head teachers and training that leads to a Graduate Certificate in School Leadership. The RMI Campus will also offer a Certificate in Educational Assessment.

The USP Council approved the conversion of the Micronesian Centre for Sustainable Transportation to a Joint Centre, or partnership between USP and the Government of the RMI.

One of the highlights of the RMI Campus' 'Moment to Shine' was the performance of the Pasifika Voices Choir, in the presence of the RMI President, Dr Hilda C Heine, Cabinet Ministers, Senators, and students. The new RMI Campus, completed in 2017, was a wonderful setting for the festivities.

Nauru

The year 2018 marked both USP's 50th Anniversary year and the 50th Anniversary of Nauru's independence. The

two auspicious occasions were celebrated at the USP Council's 86th Meeting in May, which was held at the new Nauru Campus that coincided with its official opening.

The Australian Government provided most of the funds for the new Campus, which was supplemented by a contribution from the Government of Nauru. USP provided the ICT equipment, including a new satellite dish funded by the Government of New Zealand and commissioned by the Honourable Prime Minister of New Zealand on Campus in September. The Campus' Community Library, a notable feature of the new campus, is accessible to the public.

Niue

Mr Seone Lolesio was appointed to the position of Campus Director, a post that had been substantively vacant for six years following the retirement of the previous position holder. Mr Lolesio, a former Assistant Lecturer in Faculty of Business and Economics (FBE) and current PhD candidate, has the teaching experience to assist Niue students who have face-to-face tutorials at the campus in the areas of accounting and economics, as well as in Pacific TAFE. The University notably offered some scholarships for the first cohort of law students at Niue Campus.

Solomon Islands

Professor Prem Misir was appointed to the post of Pro Vice-Chancellor at the Solomon Islands Campus. While the new Campus at KGVI is yet to be developed, temporary arrangements were made to meet increasing demand. The Government extended its offer of teaching and learning space at the Solomon Mutual Insurance (SMI) Complex in Honiara. Most of the Pacific TAFE programmes were delivered from SMI. The new MBA cohort of more than 70 students was also hosted at SMI as well as at the SINU Panatina offices.

The first graduation ever held outside Honiara was held in Auki, Malaita Province, where 176 students graduated with a Graduate Certificate in School Leadership (GCSL). This was a special in-country programme for the Solomon Islands that was developed and delivered by the Institute of Education (IOE).

The new campus development has been delayed. Following advice from the Asian Development Bank (ADB), the University hired the services of an Independent Engineering Firm (IEF) to review and finalise the updated Tender Bid Documents (TBDs) initially prepared by Kramer Ausenco (KA). The initial TBD's prepared were not fully compliant with ADB procurement requirements. ADB required an independent review of the TBDs before the re-bid exercise for the procurement of the Civil Works Contractor.

With approval from ADB, Alexander & Lloyd (A&L) was

appointed as an Independent Engineering Firm (IEF) in May. The signature of the Civil Works Contract was delayed because the estimates exceeded the funds available. The ADB advised that we could only tender for buildings which the available funding can cover and not for the whole project.

It was agreed that the matter will be revisited in early 2019. The University briefed the Government of Solomon Islands on the status of the project and reaffirmed its commitment to this valuable project.

The development of new USP Solomon Islands Campus is a high priority for the University in 2019.

Tokelau

For the first time in USP's history, the three sub-centres in the atolls of Fakaofu, Nukunonu, and Atafu were visited by a member of the Senior Management Team when the Vice-President Regional Campuses and Estates & Infrastructure visited Tokelau on a joint mission with the UN and CROP agencies on behalf of the Chair of the Committee for USP's 50th Anniversary Celebrations.

The Government of Tokelau engaged a Student Coordinator to be based at the Laucala Campus. Further to a request from the Government of Tokelau, the USP ICT Team completed the connection of USPNet from the Fakaofu Sub-Centre (SC) to the Fakaofu High School (FHS), so all SC connect to corresponding HS.

Tonga

The Tonga Campus was one of the first areas in Nuku'alofa to recover from Tropical Cyclone Gita, due to the robust USP IT network and the fact that it was built to certification. The planned upgrade of the Campus was also fully completed with the installment of a back-up generator. The Concept and Costing Plans for the new Tonga Campus were completed.

One of the highlights of the 'Moments to Shine' for the Tonga Campus was the commissioning by His Majesty King Tupou VI of the "Kukū Kaunaka", which is a collection of PhD dissertations by Tongans, and the launching of the new programme leading to the Certificate in the Tongan and Niuafo'ou languages. In collaboration with IOE, the Tonga Campus established a Committee to strategically support "Priority Students" through monitoring.

Tuvalu

The 2018 celebrations in Tuvalu included officially obtaining the piece of land for the development of the new Tuvalu Campus. USP began to upgrade the existing Tuvalu Campus, through the provision of extra teaching and learning spaces, while discussions continued between the Government of Tuvalu and potential donors relating to funding for the new campus. The Concept and Costing Plans for the new Tuvalu Campus were completed.

REGIONAL ENGAGEMENT THROUGH THE CROP MECHANISM

The primary means through which USP engages with the region is through CROP meetings and Working Groups. There are quarterly meetings of CROP Heads and many Working Groups that drive the implementation of a Strategic Work Agenda. In 2018, CROP agencies agreed to a new CROP Charter, endorsed by Leaders at the 49th PIF, that will further improve collaboration.

USP continued to Chair the CROP Human Resource Development (HRD) and the CROP ICT Working Groups. The HRD Working Group with the Small Working Group and other implementing agencies worked on a new regional education framework, the Pacific Regional Education Framework, Moving Towards Education 2030 (PacREF), which was endorsed at the Forum Education Ministers Meeting (FEEdMM) in May. PacREF prioritises actions in 4 areas, namely Quality and Relevance, Learning Pathways, Students Outcomes and Wellbeing, and Teacher Professionalism. The CROP ICT WG implemented the Regional ICT Initiative through the Regional ICT Strategic Action Plan.

The University also participated in a wide range of high-level policymaking meetings, including the PIF and related Meetings, and Ministerial Meetings. At the PIF Leaders' Meeting in Nauru, CROP presented its achievements, including working to deliver on the Leaders' decisions relating to Climate Change and Resilience, Fisheries, Sustainable Ocean Management and Conservation, Agenda 2030 and the S.A.M.O.A Pathway, regional security, and regional governance.

USP, together with other CROP agencies, also provided policy and technical advice to the region by supporting the implementation of regional policy instruments and by contributing to the development of new policies, such as the PacREF.

The University supported engagement in international foras, including the 3rd Korea-Pacific Islands Foreign

Ministers Meeting, 8th Japan-Pacific Island Leaders Meeting (PALM 8), and the Conference of Parties for the UN Framework Convention on Climate Change (COP24).

Visits to Member Countries and trips throughout the region by the Pro Chancellor, Vice-Chancellor and President and other members of the SMT also supported the deepening of meaningful ties. Meetings are always sought on the fringes of significant regional gatherings, which is an economical way to build and maintain links.

EU Funding for Regional Development

USP participated effectively in EDF 11 PRIP. Agreements were signed for projects that will be implemented with other CROP agencies, and international organisations, including:

- **Pacific-European Union Marine Partnership (PEUMP):** This is worth EUR 5.7m for 57 months from July. USP will focus on capacity building for stakeholders in fisheries and marine resources management;
- **Transparent and Effective Policies and Public Financial Management:** This is worth EUR 1.2m for 36 months from 1 January 2019. USP will improve the capacity of public sector professionals in the region;
- **Intra-ACP Global Climate Change Adaptation, Pacific Adaptation to Climate Change and Resilience Building (PACRES):** This is worth EUR 2.5m for 54 months from 1 January 2019. USP will build the capacity of technical institutions and universities to support Climate Change Adaptation and Mitigation; and
- **Global Climate Change Alliance Plus Scaling Up Pacific Adaptation (GCCA+SUPA):** This is worth EUR 2.1m for 54 months from 1 January 2019. USP will strengthen planning capacity relating to Climate Change and Disaster Risks at the sub-national and community levels.



Weaving Exhibition at Marshall Islands Campus



1968 - The first of Academic and Administrative staff

Our People



2018 - Today, USP provides equal employment opportunities



The area of Human Resources has long been an under-performing section of the University, despite its importance.

Some steps were taken to address this in 2018 while also ensuring that the core HR work was carried out to high standards.

STAFFING

With the Vice-President Administration (VPA) position vacant in 2018, responsibility for the different areas that fell under the VPA portfolio was shared by the Senior Management Team (SMT). The areas that came under VPA were Commercial, Human Resources, IT Services (ITS), Planning and Quality, WSCUC Accreditation, Banner Revitalisation and Library.

Commercial responsibility was given to the Acting Dean, Faculty of Business and Economics; Human Resources and Library to the Deputy Vice-Chancellor Research, Innovation and International (DVC RII); ITS to the Deputy Vice-Chancellor Learning, Teaching and Student Services (DVC LTSS), who also took on the responsibility of overseeing the WSCUC Accreditation process; Planning and Quality came under the Executive Director, Strategic Partnerships, Advancement and Communications and the Executive Director Finance was given responsibility for the Banner Revitalisation project.

Later in the year certain responsibilities changed, with Human Resources and ITS given to the Dean Faculty of Science, Technology and Environment, (FSTE) Associate Professor Jokhan, commensurate with her appointment as Acting Vice-President Digital Services and Human Resources. Dr. Bibhya Sharma, Associate Dean, was then appointed to the position of Acting Dean FSTE. The position of Acting Dean, FBE remained an acting position as the University was unable to make a substantive appointment to that role.

Memorial for Professor William (Bill) Aalbersberg

Professor Bill Aalbersberg's life and impact on USP and its Member Countries was celebrated on 16 August at the Marine Studies Campus at Laucala. He had passed away peacefully in February.

Prof Aalbersberg served USP for more than 27 years, as a Lecturer, Senior Lecturer, and Professor before becoming Director of the Institute of Applied Science from 1999-2014. He produced over 230 publications in key scientific research areas and mentored and supervised many Master's and PhD students. He was also on the editorial board of numerous publications and journals and led several government committees on biodiversity, trade and standards, and food and nutrition. During his time as the Director of IAS, Professor Aalbersberg was responsible for the first full-service internationally accredited laboratory

in the region; the establishment of a Centre of Excellence in taxonomy and ecology at the South Pacific Regional Herbarium; the establishment of Fiji's first Natural History Museum, housed at the Fiji Museum; the establishment of a research centre for natural products; and the setting up of one of six regional United Nations Global Centres for the Analysis of Persistent Organic Pollutants (POPs) under the Stockholm Convention, among many others. In addition to his academic achievements, he had a warm personality and was admired and highly respected by his students and colleagues, as well as by the many communities that benefited from his work. A plaque and a tree at the Marine Campus honour him.

Collective Agreement

The Collective Agreement with the Laucala I&J and Hourly paid staff expired on 31 December 2018. While it is unfortunate that a new agreement was not reached before the expiration, HR and the Union began talks and negotiations in good faith. It was anticipated that a new agreement will be reached in early 2019. In December, Collective Agreements for Kiribati and Samoa were signed. These had expired a few years ago.

STAFF FORUMS

Vice-Chancellor's Staff Forum

The first Forum was held on 14 March, hosted by Professor Derrick Armstrong, DVC RII. Staff heard about the WASC Senior College and University Commission (WSCUC) Accreditation process and raised issues on the renewal of contracts and five-year contracts for academic staff; the Whistle-Blower Policy; validity of work permits; staff reviews and subsequent appeals; salary structure; and security on campus. Senior Management pledged to address the issues.

The second Vice-Chancellor's Staff Forum for the year was held on 14 September, hosted by Professor Richard Coll as Acting Vice-Chancellor & President. Staff were briefed on the status of the University relating to WSCUC Accreditation. Staff raised concerns about the implementation of biometrics and the general operations of the HR department. They also addressed issues including the lack of parking space on campus, the need for a revamp of the USP website, the Dining Hall, on-campus accommodation for students with disabilities, and the use of the gym for classes. Professor Coll explained the contents of the Master Plan and undertook to follow up on the concerns raised.

STAFF TRAINING AND PERFORMANCE

Moodle Workshops

The Centre for Flexible (CFL) Learning offered a series of Moodle workshops to staff for professional development

purposes. Fifty-two staff accessed these in July and 39 members of staff attended workshops in August. The training was designed to help staff with marking, setting assignments, and administering quizzes. Similar Moodle Workshops were facilitated at the Emalus and Alafua Campuses.

SALARY ADJUSTMENTS

Academic Staff and the Senior Management Team

The 86th Council Meeting had approved the salary adjustment for Academic Staff and members of the SMT, including the Vice-Chancellor and President, for the 2016 to 2018 triennium. This was implemented in June.

FOCUS IN 2019

The major focus in 2019 will be to recruit the Executive Director, Human Resources, and other senior staff who are very critical to the efficient operation of the University. The focus will also be to recruit several staff on senior academic positions that have been vacant for a while now.

The systems and process in the Human Resources Section will also be looked to be effective, user friendly and transparent.



Senior staff during the New Strategic Plan consultation



Members of USP staff during the Staff Forum



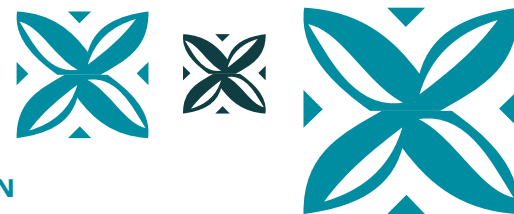


*1990 - Council meeting
at Laucala Campus*

Governance, Management, Leadership and Continuous Improvement



*2018 - Council meeting
in Suva, Fiji*



The University's Royal Charter and the Statutes of the University authorise it to provide education, training and research for the benefit of its 12 member countries. The Charter and Statutes are supplemented by the USP Convention, which recognises the University and its operations in those countries. Executive decisions of the University are made by the University Council and its specialised committees whilst academic decisions are exercised by the Senate and its committees.

The governance objective of the 2018 Annual Plan was "...to have an effective external process for monitoring, evaluating and enhancing the work of the Council, Senate and their Committees." This objective was to be achieved through cyclical and regular reviews of the Charter, Statutes and institutional policies and through appraisals of the work of University Committees that support key strategic areas as outlined in the Strategic Plan 2013 - 2018.

UNIVERSITY'S STRATEGIC DIRECTION

With the successful conclusion of the University's Strategic Plan 2013-2018 at the end of the year, the Council was presented with the draft of the new Strategic Plan 2019-2024. At its second meeting the Council approved the new Strategic Plan with an understanding that the new Vice-Chancellor and President would incorporate changes to further enhance the Plan and bring it to the Council for final approval. Based on the University Grant Committee's (UGC) recommendations, and the endorsement by Ministers responsible for Finance of Member Countries of the triennium budget, the Council also approved the Annual Plan for 2019.

GOVERNANCE MATURITY AND AWARENESS

The University tailored a series of workshops for staff and students to raise awareness of its governance issues. The feedback received was positive so this workshop series will continue in 2019.

An Order of Precedence was approved to prescribe the etiquette dealing with distinguished guests of the University and University Officers for events hosted by the USP; this will ensure the University is clear and consistent in its public events. Work started on the development of a Governance Framework to situate all governing instruments, including the University's policy suite and a Quality of Governance Index, to enable USP to objectively quantify its governance maturity. The University, through the Pro-Chancellor, Secretary to Council and the Council and Senate Secretariat, continue to engage with similar governance offices at Australian universities to assist USP in governance benchmarking.

USP CONVENTION

All 12 Member-Countries of USP signed the USP Convention, an agreement between the University and each Member recognising the University and its operations. The Convention is the culmination of an external Governance Review from 2014, which recommended such an agreement be made to formalise the University's relationship with each Member Country. By the end of 2018, 7 countries had ratified the Convention. The Government of Fiji, as the official depository of the Convention, announced that the Convention came into effect on 16 June 2018 on receipt of the 6th ratification. This was an institutional accomplishment and signaled the recognition accorded to USP as the region's university.

POLICY ENVIRONMENT AND AWARENESS

The University's policies and procedures are housed in an online library accessible to all staff and students. Policies and procedures undergo a comprehensive process of development, consultation and implementation after which they are reviewed on a regular and cyclic schedule to ensure relevance and quality benchmarking. In 2018, 66% of all policies and procedures were reviewed and updated; the remaining 34% will be reviewed in 2019. To complement the review of policies, the University delivered a series of awareness sessions on policies and procedures for staff and students. Feedback received was positive so this series will continue in 2019.

SENATE EXTERNAL REVIEW

The University's chief academic body, the Senate, underwent an external review that was required by the Senate Standing Orders which mandate a review every 5 years. The Senate's powers, purpose, structure, composition, decisions and responsibilities were reviewed and its performance was analysed against international good practice for the purpose of improving USP's academic governance. The review was completed in December 2018 and the report will be considered and actioned in 2019.

MONITORING AND EVALUATION FRAMEWORK FOR UNIVERSITY COMMITTEES AND BOARDS

As part of the University's continuous improvement, University committees continue to be self-evaluated annually for relevance and compliance to their respective Terms of Reference (TOR). The 2018 review of the template used for Committee TOR was intended to ensure that Committees serve their purpose and effectively support the overall governance of the University, whilst observing standard practices of confidentiality and conflicts of interest.

RECORDS MANAGEMENT

The University continued to roll out its electronic records management system to all USP Campuses for the purpose of records integrity and accessibility.

LEADERSHIP AND MANAGEMENT

The Council appointed the following University Officers in 2018:

- A new Chancellor, the titular head of the University, was appointed. The President of the Republic of Kiribati, His Excellency Taneti Maamau, was appointed to a one-year term from 1 July 2018. The Council thanked the previous Chancellor, the President of Fiji, His Excellency Major General (Ret'd) Jioji Konusi Konrote, whose term ended on 30 June 2018.
- Mr Winston Thompson was reappointed as the Pro-Chancellor and Chair of Council for a three-year term from 1 January 2019. The Pro-Chancellor continues to actively engage with the University Chancellor's Council (UCC) of Australia to ensure USP's leadership and governance is comparable with that of Australian universities.
- Professor Pal Ahluwalia was appointed as the Vice-Chancellor and President of the University from 1 January 2019 at the completion of Professor Rajesh Chandra's term on 31 December 2018.

COMMITTEES OF COUNCIL

Finance and Investments Committee (FIC)

The FIC met four (4) times in 2018 to consider financial governance and management activities. At these meetings, the FIC the Audited Financial Statements for 2017 and approved the Half Year Audited Financial Statements for the period ending 30 June 2018. The FIC monitored the outcomes of the planned savings and efficiency exercise of 2017 against targets, and noted that the University managed to generate savings of FJD 2.6m against the target of FJD 2.5m. Since deregistration for those who fail to pay fees began to be enforced, there was an increase in fee payments and a decrease to the rate of debts as compared to previous years. The Committee also endorsed the UGC's Financial Plan for the triennium 2019-2021 for Council's approval.

Several financial policies were reviewed and approved by the FIC in 2018. The FIC approved and monitored the progress of the University's capital projects, including the Laucala Campus CI Model Project, the Configuration of the Main Library Spaces, and the development of the new Main Gate for the Laucala Campus. The Committee monitored the progress of the Solomon Islands Campus and approved concept plans for Tonga and Tuvalu.

Audit and Risk Committee

The Audit and Risk Committee (ARC) met 7 times in 2018 to provide independent assurance, advice and assistance on the University's risk, control, compliance, internal audit and governance framework, as well as its external accountability responsibilities. It worked closely with the internal and external auditors and the Assurance and Compliance section of the University. It discussed 8 internal audit reports from KPMG on: Strategic & Business Planning, HR Recruitment & Contract Management Cycle; HR Development & Performance Management; Capital Projects Management Cycle; Governance, Risk Management Compliance Systems & Leadership; Banner Re-engineering project; Cash Handling & Management; and the Estates & Infrastructure Cycle. The Committee also conducted an audit of the Nauru Campus.

In addition, the ARC reviewed the Audited Financial Statement for 2017 and the Audited Financial Statement for the Half Year ending 30 June 2018 before forwarding the reports to the FIC for final endorsement. The ARC also approved the Strategic Three Year Internal Audit Plan 2018-2020 that outlines the planned internal audit coverage and links it to the University's Enterprise Risk and Strategic Plan.

COMMERCIAL OPERATIONS

Commercial Operations encompasses the USP Book Shop; Computer Shop; Student Lockers; Community Recreation Centre; Staff Residences; Student Halls of Residence; USP Lodges; and leased out properties at and around the Laucala Campus. The Commercial Operations section earned total revenue of FJD 12,237,888 in 2018, as compared to FJD 10,965,121 in 2017. A net surplus of FJD 1,993,059 was recorded compared to FJD 3,543,063 in 2017. Residential Housing recorded a net deficit of FJD 50,951, despite recording a 20 percent increase in revenue.

Accommodation and Leased Out Properties

The Residential Halls at Laucala maintained 100% occupancy of its 31 Married Quarters (MQ) and 1,061 beds in single and dual occupancy rooms. The Marshall Islands Campus added 12 rooms and 1 suite at the new Campus for visitors. At Alafua, there are 50 single, 18 double and 4 married quarters, and, in Vanuatu, the University has 138 single and 12 married quarters. The 12th Hall Project, which will add 400 beds in mixed categories, was put on hold.

Staff residences saw a 20% increase in income due to the implementation of strict debt collection policies and a faster turnaround time between tenants. The consolidated Surplus of Income for lodges is FJD 0.3m, compared to FJD 0.14m for same period in 2017.

Leased out properties recorded an increase of 57% in net surplus, specifically FJD 189,353 in 2018 compared to FJD 80,854. This can be attributed to the space formerly used by ANZ Bank having been leased out to The Hot Bread Kitchen.

Student Lockers

Student Locker income declined by 58%, despite recording a surplus of FJD 18,866 in 2018. The surplus recorded in 2017 was FJD 32,498. The surplus was due to lower costs associated with lockers; student interest in lockers is declining due to the increase in both online courses and locker break-ins.

Fitness Centre and Community Recreation Centre (CRC)

The Fitness Centre had a successful year that saw a substantial increase in membership to 6,668 members in 2018 (compared to 4,510 in 2017). External members numbered 1,582 whilst internal members were 5,086, compared to 1,473 and 3,037 for 2017 respectively. Total income for the Fitness Centre and CRC was FJD 709,085 for 2018, up from FJD 688,477 for 2017.

Book Centre and Computer Shop

The consolidated income for the Book Centre and Computer Shop as at 31 December 2018 stood at FJD 6,225,568, compared to FJD 5,212,353 in 2017. Which is an increase in revenue of 16%. The increase in the annual turnover was due to the expectation of a greater shift to online mode than actually occurred and the fact that the value of goods in transit for 2018 was much lower than in 2017, (hence the sale was recognised in 2018). The sale of course materials formed 50% of the total income generated, followed by textbooks at 22%. Pacific books revenue increased due to a government purchase order of FJD 165,000. The main expense for both shops is the cost of sales and staff salaries.

CONTINUOUS IMPROVEMENT

USP measures its institutional progress in terms of enrolment numbers, the satisfaction of its Member Countries, the research outputs that address Member Country priorities, and the external validations of its quality. Strong partnerships with Member Countries, the private sector, and international partners support USP's ambitions to constantly improve its quality and value. The University's strong ties with development partners such as Australia and New Zealand make it possible to record better outputs and impacts throughout the region with each passing year. In 2018, discussions were held on new agreements that will enable the growth and development of USP through its new Strategic Plan 2019-2024 and will back USP's efforts to expand its global reach by engaging in international activities aligned with the priorities of its Member Countries.

USP-Australia Partnership Agreement 2019-2024

The USP-Australia Joint Working Group worked throughout the year on a new partnership that will draw on the strengths of previous cooperation. Australia committed to a six year agreement with USP. The final agreement, worth FJD 84 million, will be finalised in early 2019.

USP-New Zealand Partnership 2019 – 2021

New Zealand and USP commenced preliminary discussion on the new partnership arrangements. A core funding agreement for the year 2019, worth NZD 5.15 million and with additional support of NZD 100,000 for emerging priorities, will be announced in early 2019, as it will give the parties more time in 2019 to discuss longer term partnership arrangements.

Accreditation within Member Countries

It is a legislative requirement that the University submits information on its programme offerings from Level 7 to 10 for recording by the Fiji Higher Education Commission (FHEC). The recording of programmes by FHEC recognises the internal accreditation process of the University. The recorded programmes will eventually be registered on the Fiji Qualifications Framework. Four programmes from Faculty of Arts, Law and Education, namely the BA History, BA Psychology, BA Social Work, and the BA Sociology, were submitted to the FHEC.

The School of Agriculture and Food Technology (SAFT) applied for accreditation from the Samoa Qualifications Authority (SQA) to register its programmes on the Samoa Qualifications Framework (SQF).

MAJOR FOCUS IN 2019

The University will continue to enhance and further embed good governance throughout the institution with the development of the Quality of Governance Index as the University embarks on and journeys through its next Strategic Plan. The University's Monitoring & Evaluation Framework for all committees and boards will be developed and implemented to allow an annual self-evaluation of performance and committee effectiveness. Awareness raising will continue for staff and students on the University's governance and its policy environment. USP will continue to engage with the Australian Universities Forum for Chancellors (the equivalent of USP's Pro-Chancellor), Vice-Chancellors and University Secretaries for the purpose of governance benchmarking and anticipating emerging trends and issues. Work will continue with the four remaining countries to ratify the USP Convention.

These planned activities are formulated for the continual improvement and development of new tools to support USP's governance so that it remains relevant, responsive, and has comparable governance standards to similar universities.



*1984 - Graduation ceremony
comprised of hundreds of
students*

Quality Matters



*2018-Over five thousand
students graduated within
this year*



The University is committed to maintaining high academic standards and to providing learning opportunities that will enable students to achieve academic success. This is mainly achieved through the conduct of quality reviews, the attainment and continuation of registration, accreditation, and recognition, and the administration of surveys, the results of which inform the University's decision-making. One of the year's major achievements was the award of Initial Accreditation from the WASC Senior College and University Commission (WSCUC). This external validation of USP's quality strengthens our brand, making it easier for staff to carry out joint research activities with other educational institutions, straightforward for US citizens who wish to take out loans for their studies at USP, and simpler for USP alumni looking for employment overseas.

REGIONAL RECOGNITION AND REGISTRATION OF THE UNIVERSITY

USP meets the requirements of the national regulators of higher education in its Member Countries and works with the regional Higher Education Commission on the recognition and registration of the University and its programmes. The University's five-year initial registration with the Fiji Higher Education Commission (FHEC), which was to have expired in April, was extended until 3 May 2020.

In August, USP formally requested that the Tonga National Qualifications and Accreditation Board (TNQAB) recognise the WSCUC accreditation as the basis for the re-registration of the University. Their decision on USP's registration will be communicated in 2019.

In late 2018, the University commenced work on the Application for Renewal of Registration with the Samoan Qualifications Authority (SQA).

ACCREDITATION

WSCUC Accreditation

The WSCUC accreditation process was lengthy and involved much self-reflection, several reviews and audits, and various visits. The process entailed a great deal of learning for the University and was consistent with the internal auditing that we conduct as part of annual and strategic planning.

USP hosted WSCUC Seeking Accreditation Visit 1 (SAV1) from 11- 13 April. The SAV1 Review Team produced a Report, which was considered by the Commission, together with the Institutional Report, exhibits and USP's response. The Commission Meeting was held from 27- 29 June and was attended by the former Vice-Chancellor and President and Deputy Vice-Chancellor (Learning and Teaching) who is also the Accreditation

Liaison Officer. It was at this meeting that the Commission granted Initial Accreditation to USP for a period of 6 years, effective from 20 July 2018. It also made several Commendations and Recommendations.

Commendations

The Commission commended USP for having:

1. A mission that contributes to the public good through a vision of achieving excellence and innovation for the sustainable development of the Pacific islands;
2. Strategic planning processes that are comprehensive, inclusive of key stakeholders and forward-looking. USP achieved 80% of the 2013-2018 Strategic Plan's objectives, with all objectives tied to budget allocations and results reported on an annual basis. The University Council will initiate a new Strategic Plan in 2019;
3. Awareness of the Member Countries' vulnerability to the impacts of Climate Change that have resulted in academic programmes and research activities in climate change and sustainable development. USP has taken a leadership role in the dissemination of knowledge and expertise in these areas within the Pacific region and internationally;
4. A sustainable financial position with reliable diversified revenue sources, and alignment of financial planning and the Strategic Plan;
5. A commitment to continuous quality improvement with regard to curricular development. The University has numerous quality assurance processes to verify that curricula are designed, reviewed and revised with high levels of faculty engagement and oversight. USP's programme review process provides an effective mechanism for curricular improvement;
6. A commitment to the use of standardised course outline templates and common assignments, along with the centralised process of exam moderation and engagement in assessment tasks, aimed toward a consistent student learning experience;
7. The Planning and Quality Office, which exemplifies an organisational commitment to quality assurance, and formalises planning processes across constituencies, resulting in documents such as the Planning and Quality Assurance Framework and University Quality Policy; and
8. The Disability Resource Centre that provides support and accommodations, and fosters a strong

community, continuing to expand accessibility for students with disabilities throughout the region.

Recommendations

The Commission required USP to undertake the following actions. All of these actions were consistent with improvements that the University knew were required:

1. Reduce vacancies in key leadership and academic and non-academic staff positions, using flexibility in hiring practices;
2. Invest in information technology resources and connectivity to meet the needs of current students and facilitate the planned expansion of distance education delivery;
3. Significantly improve the assessment of student learning outcomes, including the use of direct evidence to assess student achievement of undergraduate programme learning outcomes and post-graduate outcomes. The results of the assessment of student learning outcomes along with pass rates and grades will measure student success. The University should demonstrate student achievement of the 7 graduate outcomes across all undergraduate programmes;
4. Demonstrate appropriate rigour in degree programmes exemplified, for example, in the grading scale and complexity of assignments reflecting a progressively challenging curriculum;
5. Develop institutional research throughout the Regional Campuses to include disaggregated data, standards of performance and internal and external benchmark comparisons;
6. Ensure that distance education courses include faculty-initiated regular and substantive interaction with students synchronously or asynchronously via the internet, one-way or two-way transmissions or audio conferencing. USP needs to differentiate students admitted to distance education programmes or to face-to-face programmes to ensure comparability of programs using metrics of student success such as student learning outcomes, retention, graduation rates and student satisfaction, and
7. Expand the development and training of academic staff, specifically in the areas of effective pedagogy, best practices in assessment and use of data in planning and decision-making.

The WSCUC expressed 'its appreciation for the extensive work that USP undertook in preparing for and supporting this accreditation review. WSCUC is committed to an accreditation process that adds value to institutions

while contributing to public accountability'. In the years to come, it is imperative that the University sustains the Commendations and ensures that there is a systematic and sustained effort to address the Recommendations of the SAV1 Review Team.

The University has scheduled a Mid-Cycle Review for 1 May 2021, which will be followed by the submission of an Interim Report by 1 November 2022. Additionally, the University is scheduled for the Reaffirmation Review, with an Offsite Review and Accreditation Visit, occurring in Fall 2023 and Spring 2024 respectively.

International Accreditation

One new international accreditation and 3 new international recognitions were attained in 2018, namely:

- Accreditation: Postgraduate Certificate in Tertiary Teaching from the Staff and Educational Development Association (SEDA) of the United Kingdom: and
- Recognition: Foundation Arts Programme (FNA), Foundation Business Programme (FNB) and, Foundation Science Programme (FNSN) from Universities New Zealand.

The Bachelor of Networks and Security (BNS) and Bachelor of Software Engineering (BSE) programmes received conditional accreditation from the Australian Computer Society (ACS).

In total, the University (not including Pacific TAFE, which manages accreditation differently) has 27 internationally accredited programmes and 15 internationally recognised programmes.

Pacific TAFE attained international accreditations for 100 short courses from the United Kingdom (UK) based accreditation agency, Continuing Professional Development (CPD) Certification Service UK.

EXTERNAL REVIEWS OF ACADEMIC PROGRAMMES

Cycle 2 of the External Academic Programme (EAP) Reviews was administered in 2018 under a revised policy, which was approved by Senate 1/ 2017. The EAP Reviews are based on a Self-Review Report, compiled by the programme or discipline, and an On-Site Visit (OSV) by the External Review Panel (ERP), during which time stakeholders are consulted. The ERP for 2018 consisted of senior academics from universities in Australia and New Zealand, as well as 2 reviewers from the US.

The Bachelor of Arts (BA) in Politics programme was reviewed from 23-25 April at the Laucala Campus. In the latter part of the year, the BA Politics staff worked on the Senate-approved actions to address the recommendations of the EAP Review. The EAP Review

of the programmes of the School of Management and Public Administration took place on 15-18 October, also at Laucala. The draft Review Report was submitted to the University in November, and the School provided its response to the panel in December. The EAP Review Report will be submitted to USP after SMPA's response is considered.

The disciplines that were reviewed in 2018 were Biology, Information Systems, and Psychology. The OSV for Biology was held from 19-22 February at the Laucala Campus. Following this, the Biology discipline devised an Action Plan to address the recommendations that were made and submitted this to the University Senate for approval.

The OSV for Information Systems took place on 3-6 September, while the EAP Review of the Psychology discipline was held from 8-11 October. The Information Systems and Psychology staff worked on Action Plans to address the recommendations of the EAP Review Reports. These Action Plans will be submitted to the University Senate in early 2019.

EXTERNAL REVIEW OF THE SENATE

An External Review (ER) of the University Senate was completed in November by Professor Roger Field, the former Vice-Chancellor of Lincoln University, New Zealand. The Report, while including constructive recommendations, clearly stated that the Senate, as the body responsible for the academic governance of USP, is both effective and consistent. The University will now focus on its Action Plan to address the recommendations of the ER in 2019.

INSTITUTIONAL SURVEY RESULTS

Surveys are an important source of feedback from students, staff and external stakeholders as their results provide objective information and useful data for decision-making. Three large-scale surveys were administered in 2018.

a. Total Experience Survey (TES)

The TES is an online survey, administered annually in the second semester that enables undergraduate students to rate various aspects of their University experience. The response rate in 2018 was 29%, a figure that USP aims to increase for 2019. The TES survey results indicated that 89% of respondents were satisfied with First Year Students' Engagement and Inclusion (up by 2% from 2017). The undergraduate students' satisfaction rating of the Overall Educational Experience was 81%, which was the same as the 2017 result.

b. Graduate Destination Survey (GDS)

The GDS gathers information on graduate employment after completion of studies. The 2017 GDS results relate to four campuses, namely Laucala, Emalus, Alafua, and the Solomon Islands. The results showed that overall employment (part-time and full-time) of graduates for 2017 was 69%. This was lower than the previous years' overall employment results of 72% (2016) and 74% (2015). The reason for this is that, in previous years, the surveys covered Fiji only. The graduate employment rate by nationality in 2017 was Fiji (69%); Samoa (63%); Vanuatu (49%); and Solomon Islands (62%).

Eighty-eight percent (88%) of the respondents indicated that their qualification, major field of education and other skills and knowledge acquired during their study were important and highly relevant to their work. The satisfaction rate relating to the overall programme experience of USP graduates was 91%.

c. Student Evaluation of Courses (SEC)

The Semester 1, 2018 SEC response rate was 18%, with an overall satisfaction rating of 89% (as compared to 88% in Semester 2, 2017). The response rate was very low, and care will be taken to encourage more students to complete similar course evaluations so that the information gathered is more useful. The SEC survey was replaced by the Course Experience Survey (CES) from Semester 2, 2018. The CES is a more rigorous approach to the evaluation of teaching actions and focuses on the teaching design, efficiency, effectiveness and its capacity to engage.

MAJOR FOCUS IN 2019

The University will continue to advocate for quality checks and assurance throughout the scope of its work. It plans to strengthen Institutional Research and Data Management capability at the University, and increase the visibility of institutional survey findings and their use to improve practice. Work will also continue on the External Programme Reviews Schedule of 2017 and at least two Support Sections will be externally reviewed.

The University's Planning and Quality Office plans to work collaboratively with the FHEC and the Regional Higher Education Commissions (namely TNQAB and SQA) to formally register the University with those regulatory bodies.

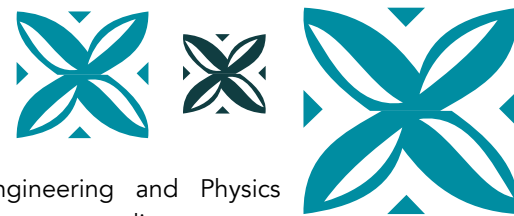


*1980 - Serving the community
has always been at the heart
of USP*

Corporate Social Responsibility



*2018 - USP still engages in
community activities*



USP is a proud exemplar of a large and diverse institution that contributes positively to its communities, from the local to the regional level, by being open and sharing its knowledge, networks and facilities and by donating time and resources to just causes and people in need. The Golden Jubilee Year saw many alumni and stakeholders engage with USP, which helped to ensure that the University is more than just a centre of learning and research, but also an incubator for socially responsible and civic-minded young people.

USP is proud that its staff and students demonstrated their commitment to Pacific values through acts of charity and donations of time and resources. While Corporate Social Responsibility has many dimensions, including having policies that support equity, protect the environment, and promote sustainability, this 2018 snapshot focuses on how USP's staff and students have taken actions to support those in need in their communities, and how USP invites the public to access its knowledge and resources.

CHARITABLE DONATIONS

The University held a Flood Appeal on 31 July that raised FJD 5,639.96 which was presented to the Fiji Government to assist with recovery from Tropical Cyclones Josie and Keni. USP also organised the continuing donation of Braille Eye Slates, invented by USP staff and students, to special schools, USP campuses and centres, and Member Countries. A donation was presented to the Samoa Blind Persons Association in April 2018. USP will continue to work on innovative solutions to challenges, such as disability, faced in the region, and will share the results of its work for the benefit of communities.

Many staff and students were engaged in other fundraising and charitable activities. The identification of projects and causes worthy of donation was entirely their prerogative. Some examples were:

- The USP Library held a Quiz Night on 6 September which raised \$5,398 for the capacity building activities of the Fiji Library Association;
- The Association of USP Staff Women's Wing, which was formed on 21 August to specifically address women's workplace issues at USP, held a Pinktober Morning Tea event that raised \$2,500 for the Fiji Cancer Society in October; and
- Pacific TAFE hosted the charity WOWS Kids Fiji in October to contribute, encourage and support its work addressing the needs of children living with cancer in Fiji.

The University is very open to lending its support to worthy causes and encourages creative ideas and the linking of those activities to academic programmes. For example,

the School of Engineering and Physics works to provide power supplies to outer island and rural communities, enhancing those communities' livelihoods and providing a valuable learning experience for the staff and students involved. We are very grateful to the Government of France for supporting this community work.

ACCESSIBLE TO THE COMMUNITY

USP also functions as a valued member of the broader community when it stages events and activities that are open to the public. Examples include the highly popular Pacific Market Days and the Chinese language classes, aimed at community members of all ages and abilities, that are offered by the Confucius Institute.

Public lectures are free and open to the public. The students, staff, and researchers in attendance benefit from the opportunity to network with businesspeople, government representatives, and community members who attend, while those guests have access to the latest knowledge. A Public Lecture Series on Climate Change, held at Emalus in 2018, is just one example of the free lectures that the public can access.

The public can also access USP's resources without visiting any campus. For example, USP's Centre for Flexible Learning launched a free app in October on Fijian History, which anyone can use to access relevant and up-to-date resources. In addition, USP Global is an initiative, launched in November, through which programmes in USP's areas of comparative advantage are offered online and rare accessible to a global audience. These comprise a growing number of courses in areas such as Pacific Island Studies, Oceanography and Climate Science. This type of learning opportunity engages and enriches the community and develops advocates for our region through the sharing of knowledge about the Pacific's resources and challenges.

Sport was also used by two of the Regional Campuses to celebrate the 50th Anniversary and engage the community. The Emalus Campus hosted a 50th Anniversary Rugby 7s Tournament in Port Vila in July, the objective of which was to bring the Golden Jubilee celebrations to many of the people of Port Vila, especially those with limited links to USP. The Alafua Campus used sport for a different end; they began free Zumba classes to promote health and wellness for students, staff, alumni, and community members.

The USP Workforce Development Training Unit (WDTU) held a one-day Women & Leadership course on 8 March to coincide with International Women's Day. The course, which benefitted 27 women in leadership positions, explored the history of women in the workplace and

developed leadership skills. Such leadership training, geared toward the public, raises awareness of how to access further education.

OUTLOOK FOR 2019

It is very important that USP engages with local communities and has policies and working practices that support equity, protect the environment, promote sustainability, and support those in need, particularly in response to crises and natural disasters. For 2019, USP will improve the outcomes of its sustainability, engagement, and CSR activities by engaging with

staff and students to determine which CSR actions to prioritise at the institutional level. At the same time, the consultations will make clear that smaller and individual actions are just as important and worthwhile. Talking about community engagement, sustainability, and giving back at the start of the year will enable USP to provide more consistent support to staff, students, and groups on campus who wish to fundraise for charity or donate their time and skills. Consultation and planning for CSR activities will also encourage and facilitate greater levels of participation and will make USP's CSR activities more transparent and effective.



Students of the School of Accounting and Finance during their community service activity





2018 FINANCIAL OVERVIEW

The University recorded positive financial results for the year, achieving an operating surplus of \$12.4m, compared to \$7.9m projected in the budget and compared to \$9.4m in 2017. During the year the cash and cash equivalents increased by \$30.2m and net assets grew by \$12.6m.

During the year, the University complied with two new accounting standards, IFRS 9 "Financial Instruments" and IFRS 15 "Revenue Recognition". The application of new accounting standards in the assessment of credit risks (IFRS 9) has led to an adjustment of additional losses of \$8.7m in 2017. This is adjusted in the opening retained earnings for 2018, in which \$3.8m was reversed and recorded as reversal of impairment gain in the 2018 income statement.

There was an extra ordinary transaction that impacted the financial results during the year. A fire at Laucala Campus has caused a write off of assets of \$6.9m.

The key highlights for the 2018 financial year are as follows:

The key highlights for the 2018 financial year are as follows:

- Total income of \$203.0m was 6% higher than 2017, but 0.8% below budget;
- Total expenditure of \$190.6m was 5% higher than 2017, and 3% below budget;
- Operating surplus of \$12.4m represents 6% of total income and above the benchmark of 5%;
- Property, plant and equipment increased by \$5.3m from \$226.4m to \$231.7m;
- Borrowings increased by \$2.4m, from \$11.3m to \$13.7m; and
- Net assets grew by \$12.6m, from \$145.1m to \$157.8m.

INCOME

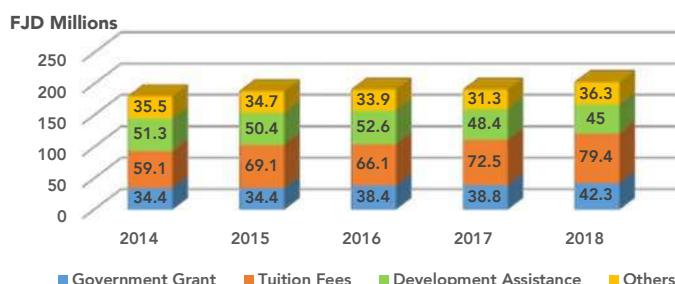
The University recorded total income of \$203m and was \$12m or 6.3% more than 2017. There were increases from government contributions, tuition fees, consultancy, commercial income and reversal of impairment loss, offset by decreases in development assistance and other income.

The increase in government contributions was due to additional support from member countries while increase in tuition fees was driven by enrolment growth

of 5%. All other incomes, including commercial revenues increased during the year. There was a reversal of \$3.8m in impairment loss, driven by improvement in debt collections.

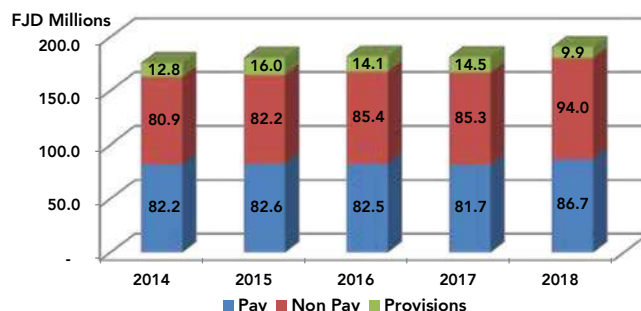
Development assistance revenue dropped due to slow release of revenue driven by slow spending of development assistance project funds. The reduction in other income was largely due to drop in penalty fees for students as majority of students pay fees on time due to enforcement of de-registration process for non-payments of fees by the deadlines.

Income from tuition fees continues to be the largest source of revenue for the University. Tuition fees income increased to 39.1% in 2018 from 38.0% in 2017, compared to development assistance which decreased from 25.4% in 2017 to 22.2% in 2018. Government contributions (20.8%), commercial incomes (7.0%) and other incomes (10.9%) make the other funding sources during the year.



EXPENDITURE

Total expenditure (including other comprehensive expense) increased by 5.0% from \$181.5m in 2017 to \$190.6m in 2018. Staff cost is the largest component of expenditure, and comprises 45.5% of total expenditure, compared to 45.0% in 2017. Operating cost dropped slightly to 43.7% of total expenditure compared to 46.3% in 2017.





Staff costs increased by \$5.0m or 6.1% to \$86.7m. The increase in staff costs was due to increase in staff numbers and payments of staff salary adjustments for all levels.

Operating costs (excluding provisions) slightly reduced by \$0.7m driven by savings generated during the year, and maintenance costs not incurred or deferred. The above were offset by increase in student research related expenses and travel expenses.

For other provisions, depreciation expenses dropped due to change in depreciation rates, recorded a loss on disposal of assets from the fire, and increase in exchange loss due to unfavourable movement of FJD against other currencies.

CASH FLOW AND FINANCING

The University generated \$40.8m of net cash flow from operating activities, compared to \$11.7m in 2017. The increase is largely due to settlement of member contributions, better collections of student debts, receipt of development assistance project funds but yet to be spent, savings from vacancies and slow spending of operating costs.

The University spent \$12.8m on capital expenditure, including \$2.3m through loans. Overall, the cash and cash equivalents position showed a net increase of \$30.2m, compared to a net decrease of \$4.4m achieved in 2017. The higher cash balance was driven by high cash generated from operating activities and slow spending of capital projects.

The cash reserve at the end of the year was adequate to operate the University for 3 months, above the required period of 2 months. This is, however, masked by a backlog of capital expenditure approved but not yet spent which will be now be spent in 2019. The University aims to generate more cash in the coming years in order

to exceed the cash reserve level and generate more cash to invest in infrastructure and long term strategy.

FINANCIAL POSITION

The University's net assets totalled \$157.8m, an increase of \$12.6m or 9% higher than 2017. The growth of net assets was largely driven by increase in surplus, addition of the new Nauru Campus, offset by increase in development assistance projects unexpended.

Receivables decreased by \$16.1m, largely driven by early receipt of government contributions (\$8m), collection of student debts (\$4.1m), reversal of impairment loss (\$3.8m) offset by slight increase of trade debtors.

Creditors and accruals decreased, offset by increase in government grants received in advance and slight increase in trade creditors. Projects unexpended increased due to funds received for projects but will be spent in 2019. Borrowings increased slightly due to final drawdown from FNPF for the 11th hall project.

CONCLUSION AND FUTURE OUTLOOK

The 2018 financial results show that the University continues to maintain its strong financial position and will continue to exist as a going concern. It is considered sustainable over the long term based on its current funding sources and expenditure commitments. This position might change in the future should there be significant changes to its main revenue sources and expenditure patterns.

Kolinio Boila

Executive Director Finance



**THE UNIVERSITY OF THE SOUTH PACIFIC
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Statement by appointed officers	78
Independent auditor's report.....	79 - 81
Statement of comprehensive income	82
Statement of financial position	83
Statement of changes in funds and reserves	84
Statement of cash flows	85
Notes to the financial statements	86 – 120



THE UNIVERSITY OF THE SOUTH PACIFIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

STATEMENT BY APPOINTED OFFICERS

In our opinion the accompanying Financial Statements give a true and fair view of the financial position of The University of the South Pacific as at 31 December 2018 and of its financial performance, its changes in funds and reserves and its cash flows for the year then ended.

We are not aware of any circumstances which would render any particulars included in the Financial Statements misleading or inaccurate.

PROFESSOR PAL AHLUWALIA

Vice-Chancellor & President

MS LORNA ALOMA JOHANSSON

Chair - Finance and Investments Committee

KOLINIO BOILA

Executive Director Finance



INDEPENDENT AUDITOR'S REPORT

TO THE COUNCIL OF THE UNIVERSITY OF THE SOUTH PACIFIC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of the University of the South Pacific (the 'University'), which comprise the statement of financial position as at 31 December 2018, and the statement of comprehensive income, statement of changes in funds and reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the University as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the University in accordance with the ethical requirements of the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) that are relevant to our audit of the financial statements in Fiji, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Responsibilities of the University Council for the financial statements

The University Council is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the University's Royal Charter, and for such internal control as the University Council determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the University Council is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the University Council either intends to liquidate the University or to cease operations, or have no realistic alternative but to do so.

The University Council is responsible for overseeing the University's financial reporting process.

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

As part of an audit in accordance with the ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

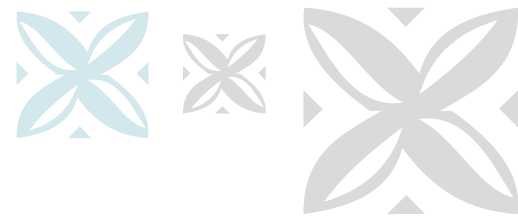
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the University's Council.
- Conclude on the appropriateness of the University Council'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 University's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the University to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Level 8 Civic Tower, 272 Victoria Parade, Suva, Fiji. GPO Box 200, Suva, Fiji.

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The University of the South Pacific

FINANCIAL STATEMENTS

Independent Auditor's Report

Report on Other Legal and Regulatory Requirements

In our opinion:

- a) proper books of account have been kept by the University, so far as it appears from our examination of those books, and
- b) the accompanying financial statements are in agreement with the books of account and to the best of our information and according to the explanations given to us give the information required by the University's Royal Charter in the manner so required.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Restriction on Distribution or Use

This report is made solely to the University's Council, as a body. Our audit work has been undertaken so that we might state to the University's Council those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the University and the University's Council as a body, for our audit work, for this report, or for the opinions we have formed.

PricewaterhouseCoopers

Chartered Accountants

Grant Burns

17 April 2019

PricewaterhouseCoopers, Level 8 Civic Tower, 272 Victoria Parade, Suva, Fiji. GPO Box 200, Suva, Fiji.

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The University of the South Pacific

STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended 31 December 2018

	Notes	2018 \$	2017 \$
Income			
Government contributions	4	42,295,000	38,781,324
Student tuition fees	5	79,408,164	72,506,648
Development assistance	6	45,001,788	48,421,230
Commercial activities	7	14,116,562	12,790,318
Consultancy	7a	4,105,805	2,356,115
Other income	8	8,844,563	9,630,900
Release of deferred revenue	9	3,866,601	4,924,277
Interest income		1,047,380	1,131,093
Realised exchange gain		499,830	428,783
Reversal of impairment loss - accounts receivable	3(i)	3,807,716	-
Total income from continuing operations		202,993,409	190,970,688
Expenditure			
Staff costs	10	86,725,993	81,715,947
Operating costs	11	83,389,334	84,030,217
Depreciation and amortisation	17, 18	9,898,639	14,032,413
Movement in impairment provision - accounts receivable	3(i)	-	476,463
Impairment charge - inventories	12	203,755	38,422
Unrealised exchange loss		2,583,494	1,059,372
Loss on disposal of assets due to fire	17	6,972,254	-
Total expenditure from continuing operations		189,773,469	181,352,834
Surplus for the year		13,219,940	9,617,854
Other Comprehensive expense			
Items that may be reclassified to profit and loss			
Foreign operations - foreign currency translation differences		(862,212)	(196,074)
Total comprehensive income for the year		12,357,728	9,421,780

The accompanying notes from pages 86 to 120 form an integral part of these financial statements.



The University of the South Pacific

STATEMENT OF FINANCIAL POSITION

For the Year Ended 31 December 2018

	Notes	2018 \$	2017 \$
Current assets			
Cash and cash equivalents	15	69,725,700	43,513,180
Term deposits	15	25,839,760	21,858,570
Trade and other receivables	13	7,376,623	23,522,466
Inventories	12	3,921,921	3,849,960
Prepayments	14	1,166,818	889,633
		<u>108,030,822</u>	<u>93,633,809</u>
Non-current assets			
Property, plant and equipment	17	230,981,132	225,700,244
Intangible assets	18	790,768	746,098
		<u>231,771,900</u>	<u>226,446,342</u>
Total assets		<u>339,802,722</u>	<u>320,080,151</u>
Current liabilities			
Creditors and accruals	21	24,208,272	25,580,281
Development assistance (projects) unexpended	21a	34,862,326	24,788,146
Provisions	21b	5,009,711	5,216,866
Deferred income	21c	3,866,601	4,924,277
Borrowings	20	342,525	204,165
		<u>68,289,435</u>	<u>60,713,735</u>
Non-current liabilities			
Provisions	21b	833,537	879,725
Deferred income	21c	99,526,929	102,153,012
Borrowings	20	13,362,566	11,167,855
		<u>113,723,032</u>	<u>114,200,592</u>
Total Liabilities		<u>182,012,467</u>	<u>174,914,327</u>
Net assets		<u>157,790,255</u>	<u>145,165,824</u>
Represented by:			
Funds and reserves			
Other contributed equity	22a	26,944,762	17,863,755
Endowment capital		5,765,329	5,878,368
Retained earnings		130,508,267	125,989,592
Foreign currency translation reserve	22b	(5,428,103)	(4,565,891)
		<u>157,790,255</u>	<u>145,165,824</u>

The accompanying notes from pages 86 to 120 form an integral part of these financial statements.

STATEMENT OF CHANGES IN FUNDS AND RESERVES

For the Year Ended 31 December 2018

	Notes	2018 \$	2017 \$
Retained earnings			
Balance as at 1 January as previously reported		125,989,592	116,371,738
Opening adjustment due to IFRS 9 adoption	2(d)(i)	(8,701,265)	-
Balance as at 1 January as restated		117,288,327	116,371,738
Surplus for the year		13,219,940	9,617,854
Balance at year end		130,508,267	125,989,592
Endowment capital			
Balance at 1 January		5,878,368	5,815,129
Foreign exchange (loss)/gain for the year		(113,039)	63,239
Balance at year end		5,765,329	5,878,368
Analysed as:			
Endowments – general		94,133	94,133
Endowments – specific		5,671,196	5,784,235
Total endowment capital		5,765,329	5,878,368
Other contributed equity			
Balance at 1 January		17,863,755	17,863,755
Movement during the year	22	9,081,007	-
Balance at year end		26,944,762	17,863,755
Foreign currency translation reserve			
Balance at 1 January		(4,565,891)	(4,369,817)
Other comprehensive income		(862,212)	(196,074)
Balance at year end		(5,428,103)	(4,565,891)

The accompanying notes from pages 86 to 120 form an integral part of these financial statements.



The University of the South Pacific

STATEMENT OF CASH FLOWS

For the Year Ended 31 December 2018

	Notes	2018 \$	2017 \$
Operating activities			
<i>Recurrent activities</i>			
Development assistance (recurrent)		28,796,776	29,003,580
Government contributions		52,821,913	30,597,574
Interest received		1,047,380	1,438,084
Student tuition fees		84,032,556	71,545,210
Commercial activities		13,137,986	14,598,504
Other receipts		7,704,631	7,375,410
		<u>187,541,242</u>	<u>154,558,362</u>
Staff costs		(85,344,068)	(78,879,703)
Other operating costs		(73,976,400)	(62,847,155)
		<u>(159,320,468)</u>	<u>(141,726,858)</u>
<i>Net cash flows provided by recurrent activities</i>		<u>28,220,774</u>	<u>12,831,504</u>
<i>Project activities</i>			
Receipts from development assistance		27,618,799	20,552,920
Staff costs		(2,585,292)	(4,010,051)
Other operating costs		(12,461,039)	(17,715,861)
		<u>(15,046,331)</u>	<u>(21,725,912)</u>
<i>Net cash flows provided by project activities</i>		<u>12,572,468</u>	<u>(1,172,992)</u>
Net cash provided by operating activities	16	<u>40,793,242</u>	<u>11,658,512</u>
Investing activities			
Payment for property plant and equipment - General		(12,749,761)	(18,211,979)
Payment for property plant and equipment - Projects		(182,842)	(248,745)
Net transfers to term deposits		(3,981,190)	(7,663,500)
		<u>(16,913,793)</u>	<u>(26,124,224)</u>
Net cash used in investing activities		<u>(16,913,793)</u>	<u>(26,124,224)</u>
Financing Activities			
Proceeds from term loan, net		2,333,071	2,440,223
		<u>2,333,071</u>	<u>2,440,223</u>
Net cash flow provided by financing activities		<u>2,333,071</u>	<u>2,440,223</u>
Net increase/(decrease) in cash and cash equivalents		<u>26,212,520</u>	<u>(12,025,489)</u>
Cash and cash equivalents at 1 January		43,513,180	55,538,669
Net (decrease)/increase in cash and cash equivalents		28,296,184	(11,394,900)
Effect of exchange rate fluctuations on cash held		(2,083,664)	(630,589)
		<u>(2,083,664)</u>	<u>(630,589)</u>
Cash and cash equivalents at 31 December	15	<u>69,725,700</u>	<u>43,513,180</u>

The accompanying notes from pages 86 to 120 form an integral part of these financial statements.



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2018

1. REPORTING ENTITY

The University of the South Pacific was established by Royal Charter of the University in 1970. It is a non-profit educational institution providing higher education to member regional countries, with its main operations domiciled in Fiji. The registered office is at Laucala Bay Campus, Suva, Fiji.

The University is the provider of tertiary education in the Pacific region and an international centre of excellence for teaching, research and consulting on all aspects of Pacific life.

These financial statements were authorised for issue by the Finance and Investments Committee on 15 April 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to the periods presented unless otherwise stated.

(a) Reporting period

The financial statements are reported for the year from 1 January to 31 December 2018.

(b) Basis of measurement

The financial statements are prepared on the basis of historical costs and do not take into account changing money values or current valuation of non-current assets.

The concepts of accrual method and going concern basis of accounting are applied. The Finance and Investments Committee and officers of the University believe that the basis for preparation of the accounts is appropriate and that the University will be able to continue its normal operations in the next 12 months. The Committee and the officers resolved that the classification and carrying amounts of assets and liabilities included in these accounts are appropriate.

(c) Functional and presentation currency

The financial statements are presented in Fiji dollars which is the University's functional currency and rounded to the nearest dollar. Foreign currency amounts in respect of all overseas regional campuses of the University have been converted to Fiji dollars based on note 1 (m).

(d) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and their interpretations issued by the International Accounting Standards Board ("IASB").

New standards adopted by the university

IFRS 9 'Financial Instruments'

The University has applied IFRS 9 for the first time for its annual reporting period commencing 1 January 2018. IFRS 9 replaces the provisions of IAS 39 'Financial Instruments: Recognition and Measurement' that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of IFRS 9 resulted in changes in accounting policies and presentation. The nature and effects of the key changes to the University resulting from its adoption of IFRS 9 are summarised below.

(i) Classification of financial assets and financial liabilities

Management has assessed which business models apply to the financial assets held by the university and has classified its financial assets into appropriate IFRS 9 categories. Refer to Note 2j for details on how the University classifies and measures its financial assets and liabilities.



NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Statement of compliance (continued)

The following table shows the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the university's financial assets as at 1 January 2018:

Financial assets	Measurement category		Carrying amount		
	Original (IAS 39)	New (IFRS 9)	Original	New	Difference*
			\$	\$	\$
Cash and cash equivalents	Loans and receivables	Amortised cost	43,513,180	43,513,180	-
Term deposits	Loans and receivables	Amortised cost	21,858,570	21,858,570	-
Trade and Other receivables	Loans and receivables	Amortised cost	23,522,466	14,821,201	8,701,265
Total			88,894,216	80,192,951	8,701,265

* The difference noted in this column is the result of applying the new expected credit loss model. The reclassification of the financial assets on adoption of IFRS 9 did not result in any change to measurements.

The adoption of IFRS 9 had no significant impact on the classification and measurement of the University's financial liabilities.

(ii) Impairment of financial assets

The University was required to revise its impairment methodology from an 'incurred loss' model in IAS 39 to an 'expected credit loss' model in IFRS 9. The new impairment model applies to financial assets measured at amortised cost.

Reconciliation of impairment allowance balance from IAS 39 to IFRS 9

The following table reconciles the University's prior period's closing impairment allowance measured in accordance with the IAS 39 incurred loss model to the new impairment allowance measured in accordance with the IFRS 9 expected loss model at 1 January 2018:

Measurement category	Loss allowance under IAS 39	Re-measurement	Loss allowance under IFRS 9
	\$	\$	\$
Cash and cash equivalents	-	-	-
Term deposits	-	-	-
Trade and other receivables	15,272,462	8,701,265	23,973,727
Total	15,272,462	8,701,265	23,973,727

IFRS 15 'Revenue from Contracts with Customers'

The University has adopted IFRS 15 from 1 January 2018. Previously under IAS 18, the University recognised revenue when the amount of revenue could be reliably measured, it was probable that future economic benefits would flow to the University and when specific criteria have been met for each of the University's activities. Revenue comprised the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the University's activities. Such recognition continues to be the same under IFRS 15, as the company recognises revenue when (at a point in time) or as (over time) it satisfies a performance obligation by transferring the goods or services to its customer.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(d) Statement of compliance (continued)**

Accordingly, management has assessed that such adoption did not result in changes in the timing of recognition and the quantification of revenue, and there are no adjustments to the amounts recognised in the financial statements. However, the University has expanded its disclosures in accordance with IFRS 15 as detailed in Note 2(p).

New standard issued but not effective for the financial year beginning 1 January 2018 and not early adopted

Topic	Key Requirements	Effective Date
IFRS 16, 'Leases'	<p>This standard replaces the current guidance in IAS 17 and is a far-reaching change in accounting by lessees in particular. Under IAS 17, lessees were required to make a distinction between a finance lease (on balance sheet) and an operating lease (off balance sheet). IFRS 16 now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts. The IASB has included an optional exemption for certain short-term leases and leases of low-value assets; however, this exemption can only be applied by lessees. For lessors, the accounting stays almost the same. However, as the IASB has updated the guidance on the definition of a lease (as well as the guidance on the combination and separation of contracts), lessors will also be affected by the new standard.</p> <p>At the very least, the new accounting model for lessees is expected to impact negotiations between lessors and lessees. Under IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.</p>	Annual periods beginning on or after 1 January 2019 with earlier application permitted if IFRS 15, 'Revenue from Contracts with Customers', is also applied.

The University has yet to fully assess the impact of this standard and intends to adopt the standard no later than the accounting period in which it becomes effective.

(e) Basis of aggregation

The financial statements of the overseas regional campuses and the book centre are aggregated in the University's financial statements. Inter-entity transactions, balances and gains/losses on the transactions between the University entities are eliminated.

(f) Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular significant areas of estimation uncertainty and critical judgments relate to impairment provisions for accounts receivable and inventories.

(g) Property, plant and equipment

The policy of the University is not to revalue its property, plant and equipment. In view of the specialised nature and wide geographical distribution of much of the University's property and equipment, it is considered that the costs of any revaluation to reflect current values would outweigh the benefits to the users of these financial statements.



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Property, plant and equipment (continued)

The value of its property, plant and equipment is therefore either their value when originally incorporated within the University's statement of financial position, or historical cost if acquired at a later date, less depreciation and impairment.

Items of property, plant and equipment, costing \$2,000 or more are recognised as assets except for computers and air conditioners valued at \$1,000 or more. Items of property, plant and equipment costing less than \$2,000 are expensed directly to profit or loss, except for computers and air conditioners valued more than \$1,000 (other than where they form part of a group of similar items which are significant in total).

(i) Depreciation

Property, plant and equipment, including buildings are recorded at cost and depreciated on a straight line basis over their estimated useful lives commencing from the time the asset is held and ready for use. The estimated useful lives are as follows:

- Used Motor vehicles and vessels 5 years;
- New Motor Vehicles 10 years;
- Buildings 50 years;
- Equipment, furniture and fittings 10 years;
- Freehold land not depreciated.

The depreciation applicable to donated assets is offset by a transfer from deferred income to profit or loss.

(ii) Impairment

Property, plant and equipment are inspected by a Board of Survey when required. If the inspection identifies that the carrying amount of the fixed asset is overstated, a provision is made for the impairment. No such provisions have been found necessary at balance date.

(iii) Deferred income

Property, plant and equipment acquired with the aid of specific grants are capitalised and depreciated in accordance with the above policy, with the related grant being credited to deferred income as a liability and released to profit or loss over the expected useful economic life of the related property, plant and equipment. The exception to this is when the acquisition of property, plant and equipment is financed either through the University's own funds, donated by member countries or a loan or finance lease.

(iv) Leased assets

The University leases some property and equipment under operating leases. The rentals are charged as an expense on a straight line basis over the term of the lease to profit or loss.

Assets held under leasing agreements which transfer to the University substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. These are capitalised at their fair value at the inception of the lease and depreciated over the shorter of the lease term and the useful economic life of the assets. The capital element outstanding is shown as obligations under finance leases. The interest element of the lease payments is charged to profit or loss over the term of the lease.

(h) Intangible assets

IT software

IT software which is purchased, developed, or implemented, is recorded at historical cost and is amortised over its estimated useful life as follows:

- Computer software 5 years.



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis of valuation. Only inventories which are purchased and controlled centrally have been reported within the financial statements. Consumables purchased by the University for departmental use and held under the control of individual departments have been expensed in profit or loss at the time of purchase.

(j) Financial instruments

Accounting policies applied starting from 1 January 2018

Financial assets

(i) Classification

The University classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through profit or loss or through OCI); and
- those to be measured at amortised cost.

The classification depends on the University's business model for managing the financial statements and the contractual terms of the cash flows.

The University's financial assets measured at cost consist of cash and cash equivalents, term deposits and trade and other receivables.

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the University commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from them have expired or where they have been transferred and the University has also transferred substantially all risks and rewards of ownership.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by any impairment losses. Interest income, gains/(losses) arising from derecognition, foreign exchange gains/(losses) and impairment losses are recognised in profit or loss.

(iii) Impairment of financial assets

The University assesses on a forward looking basis the expected credit losses associated with its financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Refer to note 3(i).

Financial liabilities

(i) Classification and subsequent measurement

In both the current and prior period, financial liabilities are classified as subsequently measured at amortised costs, except for:



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Financial instruments (continued)

- Financial liabilities arising from the transfer of financial assets which did not qualify for de-recognition, whereby a financial liability is recognised for the consideration received for the transfer. In subsequent periods, the University recognises any expense incurred on the financial liability; and
- Financial guarantee contacts and loan commitments.

(ii) De-recognition

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expired). The university also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Accounting policies applied before 1 January 2018

Financial assets

The University has applied IFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the company's previous accounting policy. There is a financial impact on the amount of the impairment as at 1 January 2018 from the change in policy in 2018 as detailed in Note 2 (d) (i).

(i) Classification

The University classified its financial assets in the following categories: loans and receivables and held-to-maturity financial assets. The classification depended on the purpose for which the financial assets were acquired. Management determined the classification of its financial assets at initial recognition.

Loans and receivables were non-derivative financial assets with fixed or determinable payments that were not quoted in an active market. They were included in current assets since their maturities were 12 months or less. The university's loans and receivables were comprised of cash and cash equivalents and trade and other receivables.

Held-to-maturity financial assets were non-derivative financial assets with fixed or determinable payments and fixed maturities that the University's management had the positive intention and ability to hold to maturity. For the University, these comprised term deposit investments.

(ii) Recognition and measurement

Regular purchases and sales of financial assets were recognised on trade-date – the date on which the University committed to purchase or sell the asset. Financial assets were initially recognised at cost plus transaction costs that were directly attributable to their acquisition.

Loans and receivables and held-to-maturity investments were subsequently carried at cost less provision for impairment.

Financial assets were derecognised when the rights to receive cash flows from them had expired or where they had been transferred and the University had also transferred substantially all risks and rewards of ownership.

Interest income on held-to-maturity investments was included in profit or loss and was reported under finance income as interest income. In the case of impairment, it was reported as a deduction from the carrying value of the investment and recognised in profit or loss as impairment on investment.

(iii) Impairment of financial assets

The University assessed at each balance date whether there was objective evidence that a financial asset or

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) Financial instruments (continued)**

group of financial assets was impaired. A financial asset or group of financial assets was impaired and impairment losses were incurred only if there was objective evidence of impairment as a result of one or more events that had occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) had an impact on the estimated future cash flows of the financial asset or group of financial assets that would be reliably estimated.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that had been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset was reduced and the amount of the loss was recognised in profit or loss.

(k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment losses.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, significant difficulties of the debtor and default or delinquency in payments.

Impairment losses on trade receivables are presented as a movement in the impairment provision within the surplus. Subsequent recoveries of amounts previously written off are credited against the same line item. Impairment losses are determined on an expected credit loss basis (Note 3(i)).

(l) Statement of cash flows

The following are the definitions of the terms used in the statement of cash flows:

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held with banks, deposits held at call with banks, other short-term deposits with original terms of three months or less and are subject to an insignificant risk of change in value, and bank overdrafts.

(i) Operating activities

Operating activities include all transactions and other events that are not investing or financing activities.

(ii) Investing activities

Investing activities are those relating to the acquisition, holding and disposal of property, plant and equipment and investments. Investments can include securities not falling within the definition of cash and cash equivalents.

(iii) Financing activities

Financing activities are those that result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash and cash equivalents.

(m) Employee benefits**(i) Short term benefits**

Provision is made for employee entitlements in respect of salaries and wages, annual leave, severance allowance and superannuation where the University has a legal or contractual obligation and is calculated as the amount unpaid as at reporting date at future expected pay rates. All employee benefit related provisions, except for severance allowance, long service leave and gratuity of selected senior managers, are classified as a current liability. Accrued leave is expected to be utilised in the following period.



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Employee benefits (continued)

(ii) Superannuation benefits

The University contributes to a number of defined contribution superannuation schemes. Contributions are made by employees and by the University as a percentage of salary or specified amounts as required by relevant agreements. The cost to the University is charged as an expense to profit or loss. The University's obligation is limited to these contributions.

(iii) Termination benefits

Termination benefits are employee benefits that are payable as a result of an employee's decision to accept voluntary redundancy in exchange for those benefits. This is recognised as an expense in profit or loss as the obligation arises.

(n) Foreign currency transactions

All foreign currency transactions during the period have been translated to Fijian currency using the exchange rate in effect at the dates of the transactions. Foreign currency monetary assets and liabilities in foreign currencies at balance date are translated at the exchange rate existing at that date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss in the financial period in which they arise.

Regional campuses

The assets and liabilities of regional campuses are translated to Fijian dollars using the exchange rate as at year end. The income and expenses of regional campuses are translated to Fijian dollars at average exchange rates. Foreign currency differences are recognised directly in equity in the foreign currency translation reserve. The functional currencies of the regional campuses are those of their respective countries.

(o) Income tax

The University is exempt from income tax in accordance with the provision of Section 17 of the Fiji Income Tax Act.

(p) Revenue recognition

Accounting policies applied starting from 1 January 2018

Revenue is measured based on the consideration specified in a contract with a customer. The University recognises revenue when it transfers control over a product or service to a customer. Revenue is presented net of value added tax, rebates and discounts.

Revenue is recognised in the financial statements for the major activities as follows:

Revenue type	Nature, timing of satisfaction of performance obligations and significant payment terms (if any)
Government grants	<p>The University treats operating grants received from government contributions as revenue in the year of receipt or when entitlement to the grant is established. Government grants in respect of capital expenditure are recognised initially as deferred revenue when there is reasonable assurance that it will be received and the University will comply with the conditions associated with the grant. It is then recognised in profit or loss as income on a systematic basis over the useful life of the acquired asset.</p> <p>Revenue is measured at the transaction prices (government grants) agreed under the government grants agreements.</p>

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Revenue recognition (continued)

Revenue type	Nature, timing of satisfaction of performance obligations and significant payment terms (if any)
Student tuition fees	<p>This consists of tuition fees for various courses offered by the University. The fees are dependent on the type of the courses and the level of study. The University recognises all student tuition fees on enrolment of the courses and subsequently provides tuition services to ensure obligations are met.</p> <p>Revenue is measured at the transaction prices as per university fees manual. Payment term is 30 days.</p>
Development assistance	<p>Development assistance received for recurrent funding is recognised on the due date while development assistance received with specific end purposes is recognised as revenue when the conditions attached to the assistance have been met and performance obligation is satisfied. Until those conditions are met, receipt of development assistance funds in advance is accounted for as deferred revenue and recognised as a liability.</p> <p>Revenue is measured at the transaction prices (donor grants) agreed under the development assistance agreements.</p>
Commercial activities	<p>Commercial activities represents revenue from book centre, computer shop, residential rentals, fitness centre, bar and ITC car park rentals.</p> <p>Revenue from commercial operations is recognised at the point of sale for goods, or as the service is performed.</p> <p>An invoice is raised once the sale is completed or services rendered. Revenue is measured at the transaction prices as per the invoice. Payment term is 30 days.</p>
Consultancy	<p>Consultancy revenue is recognised as the services (consultancy) are provided and represents revenue earned from provision of professional services and project consultancy by university professionals for other organisations.</p> <p>Revenue is measured at the transaction prices agreed under the consultancy agreement. Payment term is 30 days.</p>
Other income	<p>Other income represents income earned from lab hires, reprint of transcripts, reprint of ID cards and other similar services.</p> <p>Other income is recognised on receipt except where a department of the University has arranged for a University invoice to be raised to a third party; the revenue associated with these invoices is recognised when the goods/services have been provided.</p> <p>Revenue is measured at the transaction prices as per university fees manual. Payment term is 30 days.</p>
Rental income	<p>Rental income from operating leases is recognised as the services (rentals) are provided on a straight line basis over the lease term when they fall due and represents income earned from renting out the various properties held by the University, and is stated net of value added tax.</p> <p>Revenue is measured at the transaction price agreed under the lease agreement. Payment term is 30 days.</p>
Interest income	<p>Interest income represents interest income earned on the term deposits based on the maturity and the interest rate and is recognised as income as it is accrued.</p>



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Revenue recognition (continued)

Accounting policies applied before 1 January 2018

(p) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the University's activities. Revenue is shown net of value added tax, rebates and discounts.

The University recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the University and when specific criteria have been met for each of the University's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The University bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised in the financial statements for the major activities as follows:

(i) Government grants

The University treats operating grants received from government contributions as income in the year of receipt or when entitlement to the grant is established. Government grants in respect of capex are recognised initially as deferred income when there is reasonable assurance that it will be received and the University will comply with the conditions associated with the grant. It is then recognised in profit or loss as income on a systematic basis over the useful life of the acquired asset.

(ii) Student tuition fees

The University recognises all student tuition fees on enrolment of the courses.

(iii) Development assistance

Development assistance received for recurrent funding is recognised on the due date while development assistance received with specific end purposes is recognised as revenue when the conditions attached to the assistance have been met. Until those conditions are met, receipt of development assistance funds in advance is accounted for as deferred revenue and recognised as a liability.

(iv) Commercial activities

Revenue from commercial operations is recognised at the point of sale for goods, or as the service is performed.

(v) Consultancy

Consultancy revenue is recognised as revenue when it is earned.

(vi) Other income

Other income is recognised on receipt except where a department of the University has arranged for a University invoice to be raised to a third party; the revenue associated with these invoices is recognised when the goods/ services have been provided.

(vii) Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease for the various properties held by the University.

(viii) Interest income

Interest income is recognised as it accrues.



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) *Endowment funds*

The University has established endowment funds for specific purposes. The capital amount of such funds is maintained at its original nominal value. The revenue generated through the investment of the capital is used in accordance with any conditions imposed by the Council, deed, gift or by the terms of the endowments or bequests. Endowment funds are transferred to profit or loss only when it is no longer required for the purpose for which the fund was originally established.

(r) *Commitment accounting*

The University operates a system of commitment accounting for its non-salary expenditure. Expenditure is recognised when purchase orders are placed and charged against the appropriate cost centre. At period end all expenditure in respect of goods and services not yet rendered is reversed.

(s) *Trade creditors and accruals*

Liabilities for trade payables and other amounts are carried at amortised cost (inclusive of VAT/GST where applicable) which is the fair value of the consideration to be paid in the future for goods and services received whether or not billed to the University. The University's term in respect of its creditors is 30 days.

(t) *Borrowings*

The University classifies non-derivative financial liabilities into borrowings. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.

Finance costs comprise interest expense on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

(u) *Value Added Tax (VAT)/Goods and Services Tax (GST)*

Revenue, expenses and assets are recognised net of the amount of associated VAT/GST, unless VAT/GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of acquisition of the asset or part of the expense.

Receivables and payables are stated inclusive of the amount of VAT/GST, receivable or payable. The net amount of VAT/GST recoverable from, or payable to, the Tax Authority is included in other receivables or payables in the statement of financial position.

Amounts charged to the provision account are written off when there is no expectation of recovery.

(v) *Held-to-maturity financial assets*

Non-derivative financial assets with fixed or determinable payments and fixed maturities of more than three months are classified as held-to-maturity financial assets when the University has the positive intention and ability to hold it to maturity. After initial measurement, these assets are measured at amortised cost. Interest earned from these assets is recognised on an accrual basis.

(w) *Comparative amounts*

Where the presentation or classification of items in the financial statements is amended / reclassified, comparable amounts shall also be reclassified unless reclassification is impracticable.



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

3. FINANCIAL RISK MANAGEMENT

The University has exposure to the following risks:

- (i) Credit risk;
- (ii) Liquidity risk; and
- (iii) Market risk.

The overarching policies and objectives of the University's treasury management activities are defined as being the 'management and control of its cash flows, banking, and investment transactions; the effective control of risks associated with those activities; and the pursuit of optimum performance consistent with those risks'.

The Finance and Investments Committee reviews and approves policies for managing each of these risks, which are summarised below.

(i) Credit risk

The maximum exposure to credit risk at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of these assets, as disclosed in the statement of financial position and notes to the financial statements.

Movement in the allowance for impairment losses on trade and other receivables is summarized as follows:

	2018
	\$
Balance at beginning of year	15,272,462
Opening Adjustment IFRS 9 adoption	8,701,265
Adjusted balance 1 January 2018	23,973,727
Reversal of impairment loss in 2018	(3,807,716)
Write-off	(1,140,183)
Balance at end of year (Note 13)	<u>19,025,828</u>

The opening adjustment at 1 January 2018 arose from the application of the new expected credit loss model and largely related to the overdue student debtors and development assistance receivables. During 2018 the subsequent settlement of a number of receivables resulted in a reversal of a portion the provision previously made.

While cash and cash equivalents and term deposits are also subject to impairment requirements of IFRS 9, any impairment loss is deemed immaterial.

Expected credit loss assessment starting from 1 January 2018

The University applies the IFRS 9 simplified approach to measure expected credit losses for trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared risk characteristics and the days past due. The University uses the 'net flow rate' model based on the probability of trade receivables following the movement of cash outstanding from payment status of current through all delinquency buckets until write off. Loss rates are based on historical credit losses experienced within this year. These rates are then adjusted to reflect current and forward looking information based on macroeconomic factors and the University's internal evaluation of trade receivables over their expected lives.



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended 31 December 2018

3. FINANCIAL RISK MANAGEMENT (continued)

(i) Credit risk (continued)

The following table provides analysis about the exposure to credit risk and expected credit losses for trade and other receivables as at 31 December 2018:

	Expected weighted average loss rate	Gross carrying amount	Loss allowance
		\$	\$
a. Contribution due from governments			
1 to 90 days past due	0%	74,039	-
91 to 180 days past due	0%	74,039	-
181 to 365 days past due	0%	20,709	-
More than 365 days past due	0%	-	-
Total		168,787	-
b. Trade debtors			
1 to 90 days past due	9%	1,269,470	109,406
91 to 180 days past due	50%	673,387	333,929
181 to 365 days past due	100%	144,859	144,859
More than 365 days past due	100%	726,141	726,141
Total		2,813,857	1,314,335
c. Student debtors			
1 to 90 days past due	27%	995,234	266,247
91 to 180 days past due	93%	1,604,682	1,495,297
181 to 365 days past due	98%	1,357,090	1,328,769
More than 365 days past due	100%	8,174,402	8,174,402
Total		12,131,408	11,264,715
d. Staff debtors			
1 to 90 days past due	0%	347	-
91 to 180 days past due	50%	330	165
181 to 365 days past due	100%	638	638
More than 365 days past due	100%	21,069	21,069
Total		22,384	21,872



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

3. FINANCIAL RISK MANAGEMENT (continued)

(i) Credit risk (continued)

	Expected weighted average loss rate	Gross carrying amount	Loss allowance
		\$	\$
e. VAT/GST receivable			
1 to 90 days past due	0%	28,891	-
91 to 180 days past due	50%	32,680	16,340
181 to 365 days past due	100%	-	-
More than 365 days past due	100%	3,532,913	3,532,913
Total		3,594,484	3,549,253
f. Other debtors			
1 to 90 days past due	5%	4,830,708	214,163
91 to 180 days past due	51%	363,613	184,280
181 to 365 days past due	100%	549,835	549,835
More than 365 days past due	100%	1,927,375	1,927,375
Total		7,671,531	2,875,653
Total trade and other receivables		26,402,451	19,025,828

Comparative information under IAS 39

The credit quality of trade and other receivables can be summarised as follows:

	2017 \$
a. Contribution due from governments	
<u>Ageing of government contributions due:</u>	
0 to 90 days	7,636,365
91 to 180 days	650,612
181 to 365 days	-
Total	8,286,977
b. Trade debtors	
<u>Ageing of trade debtors due:</u>	
0 to 90 days	583,906
91 to 180 days	111,810
181 to 365 days	227,792



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended 31 December 2018

3. FINANCIAL RISK MANAGEMENT (continued)

(i) Credit risk (continued)

	2017
	\$
b. Trade debtors (continued)	
Between 1 and 2 years old	188,191
Between 2 and 3 years old	265,219
More than 3 years old	458,364
Total	1,835,282
c. Student debtors	
<u>Ageing of student debtors due:</u>	
0 to 90 days	1,039,519
91 to 180 days	4,624,577
181 to 365 days	2,706,227
Between 1 and 2 years old	2,031,258
Between 2 and 3 years old	1,321,463
More than 3 years old	4,532,535
Total	16,255,579
d. Staff debtors	
<u>Ageing of Staff debtors due:</u>	
0 to 90 days	872
91 to 180 days	4,469
181 to 365 days	497
Between 1 and 2 years old	1,848
Between 2 and 3 years old	4,434
More than 3 years old	4,937
Total	17,057
e. VAT/GST receivable	
<u>Ageing of VAT/GST due:</u>	
0 to 90 days	47,710
91 to 180 days	70,597
181 to 365 days	104,685
Between 1 and 2 years old	188,080
Between 2 and 3 years old	-
More than 3 years old	3,314,125
Total	3,725,197



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

3. FINANCIAL RISK MANAGEMENT (continued)

(i) Credit risk (continued)

	2017
	\$
f. Other Debtors	
<i>Ageing of other debtors due:</i>	
0 to 90 days	4,482,441
91 to 180 days	118,811
181 to 365 days	1,439,305
Between 1 and 2 years old	1,057,426
Between 2 and 3 years old	1,166,084
More than 3 years old	410,770
Total	8,674,837
Total trade and other receivables	38,794,928
Movement in allowance for impairment losses:	
Balance at beginning of year	16,765,171
Write offs	(1,969,172)
Impairment losses adjustment recognised	476,463
Balance at end of year	15,272,462

(ii) Liquidity Risk

Liquidity risk refers to the risk of financial loss to the University as a result of insufficient funds being available to meet its short and long term liabilities. The University has creditors and accruals which are all short term and hence have been classified as current liabilities in the statement of financial position.

The University manages liquidity risk by maintaining adequate cash and cash equivalent balances and borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Subventions within campuses or from the main Laucala campus to other campuses are carried out in order to maintain sufficient cash balances in all campuses for the funding of day-to-day operations.

The table below summarises the maturity profile of the University's financial liabilities based on contractual undiscounted payments.

Year ended 31 December 2018	0 to 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	\$	\$	\$		\$
Creditors and accruals	24,208,272	-	-	-	24,208,272
Borrowings	342,525	-	5,419,902	8,800,898	14,563,325



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2017

3. FINANCIAL RISK MANAGEMENT (continued)

(ii) Liquidity risk (continued)

The table below summarises the maturity profile of the University's financial liabilities based on contractual undiscounted payments.

Year ended 31 December 2017	0 to 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
	\$	\$	\$		\$
Creditors and accruals	25,580,281	-	-	-	25,580,281
Borrowings	204,165	-	3,044,554	8,607,153	11,855,872

(iii) Market Risk

Foreign currency risk

Foreign currency risk refers to risk that the value of a financial commitment, recognised asset or liability will fluctuate due to changes in foreign currency rates. The University's foreign currency exchange risk arises primarily from term deposits and trade receivables balances denominated in foreign currencies and transactions for receipts and payments settled in foreign currencies or with prices dependent on foreign currencies as well as transactions for regional campuses in various currency denominations.

The University manages this risk by maintaining off-shore bank accounts in its efforts to provide a natural hedge against currency exposures.

The following table demonstrates the sensitivity analysis to a reasonably possible change in the Australian dollar (AUD), New Zealand dollar (NZD), Solomon Island dollar (SBD), Japanese Yen (JPY) and Vanuatu Vatu (VUV) and United States Dollar (USD) exchange rate on the University's surplus, with all other variables held constant:

	Increase / (decrease)	Effect on surplus(\$)				
		AUD	NZD	VUV	JPY	USD
31-Dec-18	10%	3,923,735	2,034,268	20,240	19,099	423,651
	-10%	(3,923,735)	(2,034,268)	(20,240)	(19,099)	(423,651)
31-Dec-17	10%	1,801,681	1,835,759	19,919	2,958	403,307
	-10%	(1,801,681)	(1,835,759)	(19,919)	(2,958)	(403,307)

Interest Rate risk

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

The University's exposure to the changes in market interest rates relates primarily to the investment of surplus cash into at call or short term deposits as well as through finance lease, utilisation of bank overdrafts and borrowings.

Short-term investments are either rolled over at maturity at interest rates applicable on roll-over dates, or converted to operational use if the need arises at the time of maturity. Interest on bank overdrafts is subject to changes in market interest rates. The University does not have any fixed interest instruments at fair value through profit and loss and as such is not exposed to fair value movements due to change in interest rates.

Long-term investments are not feasible due to the nature of operations within the University, therefore, avoiding the risk of a cash flow mismatch or a liquidity shortfall.



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

3. FINANCIAL RISK MANAGEMENT (continued)

(iii) Market risk (continued)

Lending Facilities - Debt, Refinancing and Granting Security

The University ensures that its borrowing, private financing and partnership arrangements are negotiated, structured, documented and the maturity profile of the raised monies managed, with a view to obtaining competitive and favourable terms in light of market conditions prevailing at the time.

Prior to entering into or negotiating for any agreement to increase lending facilities (including leases) or re-finance the University's current borrowing arrangements, approval from the Finance and Investments Committee (FIC) must be obtained.

In raising capital finance, those with delegated authority will take account of:

- (i) the University's powers and rules and, in particular the University's Charter, Statutes, Regulations and Scheme of Financial Delegations;
- (ii) any legal or fiscal statutory restrictions; and
- (iii) the terms and covenants of borrowing.

All the borrowings of the University are at fixed rates of interest.

	Increase / (decrease)	Effect on Surplus	
		2018	2017
Financial assets		\$	\$
Term deposits	1%	20,791	12,452
	-1%	(20,791)	(12,452)
Financial liabilities			
Borrowings	1%	2,597	(1,828)
	-1%	(2,597)	1,828

	2018	2017
	\$	\$

4. GOVERNMENT CONTRIBUTIONS

Cook Islands	173,964	147,917
Fiji	32,354,158	30,217,468
Kiribati	944,380	778,009
Marshall Islands	296,154	265,099
Nauru	107,692	69,156
Niue	51,775	48,025
Samoa	1,464,204	1,256,340
Solomon Islands	3,052,667	2,739,358
Tokelau	43,491	28,815
Tonga	1,105,921	979,715
Tuvalu	424,555	307,361
Vanuatu	2,276,039	1,944,061
	42,295,000	38,781,324

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

	2018		2017	
	Student Grant	Campus Grant	Student Grant	Campus Grant
	\$	\$	\$	\$
4a. GOVERNMENT CONTRIBUTIONS BY CATEGORY				
Cook Islands	97,337	76,627	76,840	71,077
Fiji	14,478,852	17,875,306	13,502,770	16,714,698
Kiribati	786,983	157,397	655,064	122,945
Marshall Islands	82,840	213,314	88,366	176,733
Nauru	37,278	70,414	17,289	51,867
Niue	4,142	47,633	5,763	42,262
Samoa	621,303	842,901	555,172	701,168
Solomon Islands	2,661,246	391,421	2,431,997	307,361
Tokelau	43,491	-	28,815	-
Tonga	836,690	269,231	743,431	236,284
Tuvalu	374,851	49,704	261,257	46,104
Vanuatu	1,122,487	1,153,552	1,023,898	920,163
	21,147,500	21,147,500	19,390,662	19,390,662

Revenue is recognised over time as the obligations are met on a yearly basis.

	2018	2017
	\$	\$
5. STUDENT TUITION FEES		
Regional students	57,223,665	53,834,625
International students	2,085,509	2,231,374
	59,309,174	56,065,999
Pacific TAFE	16,455,531	12,861,938
Republic of Marshall Islands (RMI)	140,365	453,495
Master of Business Administration	2,265,212	1,216,921
Others	1,237,882	1,908,295
	79,408,164	72,506,648

5a. STUDENT TUITION FEES BY SPONSOR

Private Students	33,015,150	31,253,891
Private Sponsored	952,140	1,653,054
Government Sponsored	45,346,321	39,521,740
USP Sponsored	94,553	77,963
	79,408,164	72,506,648

The University recognises all student tuition fees on enrolment of the courses and subsequently provides tuition services to ensure obligations are met (over time).



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

	2018	2017
	\$	\$
6. DEVELOPMENT ASSISTANCE		
Australia - Recurrent	21,675,162	21,767,167
- Projects	4,693,898	6,253,187
New Zealand - Recurrent	7,121,614	7,236,414
- Projects	774,728	272,079
European Union	2,002,959	3,235,500
Japan	3,638,438	5,008,533
Other Partners	5,094,989	4,648,350
	45,001,788	48,421,230

The University recognises development assistance revenue when the conditions attached to the assistance have been met and performance obligation is satisfied (at a point in time).

7. COMMERCIAL ACTIVITIES

Book centre	6,039,427	4,895,745
Computer shop	478,114	726,009
Residential/Housing rental income		
• <i>Laucala</i>	4,900,152	4,748,642
• <i>Emalus</i>	671,932	713,026
• <i>Alafua</i>	263,206	281,403
	12,352,831	11,364,825
Gymnasium and Community Recreation Centre	914,104	859,421
ICT Park rentals	-	60,000
Other rental	378,494	276,579
Others	471,133	229,493
	14,116,562	12,790,318

Revenue from commercial operations is recognised at the point of sale for goods, or as the service is performed.

7a. CONSULTANCY INCOME

Professional services and project consultancies		
• IAS	394,867	439,945
• Other	2,876,224	1,389,251
Training and teaching	274,388	430,019
Other	560,326	96,900
	4,105,805	2,356,115

The University recognises consultancy revenue as the services (consultancy) are provided.



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended 31 December 2018

	2018	2017
	\$	\$
8. OTHER INCOME		
Administration cost recovery	285,344	446,960
Course material and text book sales	715,067	1,081,323
Faculty and support units' income	2,106,870	1,249,735
ITS domain name registration	172,841	190,771
Laboratory income	1,498,038	1,499,308
Miscellaneous student activities	2,003,328	1,559,890
Other income	2,063,075	3,602,913
	8,844,563	9,630,900

The University recognises other income when the goods/services have been provided.

9. RELEASE OF DEFERRED REVENUE

Depreciation and amortisation charge for the year	9,898,639	14,032,413
Less: charge on items acquired through normal operating activities	(6,032,038)	(9,108,136)
Release of deferred revenue liability - depreciation	3,866,601	4,924,277

10. PERSONNEL COSTS

Academic and comparable staff	57,922,464	56,931,482
Intermediate and junior staff	18,916,659	16,082,429
Hourly paid staff	6,598,370	6,158,523
Provision for leave entitlement	(207,155)	(238,398)
Senior management	3,495,655	2,781,911
	86,725,993	81,715,947

Staff numbers (including part-time staff) by category

Academic and comparable staff	638	616
Intermediate and junior staff	642	639
Hourly paid staff	240	249
Senior management	11	9
Total staff numbers	1,531	1,513

Annualised taxable emoluments for staff paid \$100,000 or more

\$100,000 - \$119,999	83	72
\$120,000 - \$139,999	41	31
\$140,000 - \$159,999	16	12
\$160,000 - \$179,999	13	6
\$180,000 - \$199,999	8	6
\$200,000 - \$219,999	4	7



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

	2018 \$	2017 \$
10. STAFF COSTS (CONTINUED)		
Annualised taxable emoluments for staff paid \$100,000 or more (continued)		
\$220,000 - \$239,999	3	2
\$240,000 - \$259,999	2	4
\$260,000 - \$279,000	1	1
\$280,000 - \$299,000	2	-
Above \$300,000	11	5
	184	146
11. OPERATING COSTS		
Cost of sales	6,446,744	6,413,117
Travel and related expenses – University related	5,363,035	3,775,062
Travel and related expenses – Projects related	1,456,549	2,579,141
Student – research related expenses	12,069,277	9,822,808
Student – support related expenses	2,022,059	1,972,497
Grounds and maintenance	6,886,559	7,540,052
Consultancy expenses	6,648,033	5,966,163
Utilities	5,078,963	4,581,947
Telecommunications	5,598,385	5,339,776
Library resources	2,492,489	2,211,371
Staff recruitment and passages	1,085,355	1,059,858
Printing and stationery	2,240,821	1,963,583
Insurance premiums	2,809,516	2,789,128
Computer software and hardware	3,183,433	2,960,645
Workshop expenses	791,293	589,909
Advertising	2,699,837	1,939,183
Hospitality / expenditure on meetings	1,321,075	1,198,563
Teaching materials	2,685,127	2,681,717
Medical expenses	1,919,413	1,823,191
Rental expense	2,452,451	2,035,834
Equipment purchase	1,230,723	1,132,892
Freight and courier charges	816,769	827,345
Operating costs - strategic plan	-	3,624,030
Sub-total	77,297,906	74,827,812
Other items of expenditure	5,803,171	8,848,977
Fees paid to auditors:		
External audit - audit of financial statements	60,280	52,277
Audit of projects	20,601	47,436
Internal audit	127,500	191,224



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

2018	2017
\$	\$

11. OPERATING COSTS (CONTINUED)Honorarium:

Council	37,625	21,500
Audit and risk committee	21,750	23,500
Finance and investments committee	20,500	17,491
Total operating costs	83,389,334	84,030,217

	Goods and Publications	Academic Gowns	Maintenance	Catering and Domestic	Total
	\$	\$	\$	\$	\$

12. INVENTORIES

Balance at 1 January 2017	3,233,364	901,776	51,157	3,069	4,189,366
Additions	3,436,652	316,471	12,592	20,085	3,785,800
Expensed	(3,807,532)	(212,745)	(63,438)	(3,069)	(4,086,784)
Impairment reversal	(31,087)	(7,335)	-	-	(38,422)
Cost or valuation at 31 December 2017	2,831,397	998,167	311	20,085	3,849,960
Balance at 1 January 2018	2,831,397	998,167	311	20,085	3,849,960
Additions	3,579,095	1,625	-	8,370	3,589,090
Expensed	(3,429,933)	136,644	-	(20,085)	(3,313,374)
Impairment charge	(196,679)	(7,076)	-	-	(203,755)
Cost or valuation at 31 December 2018	2,783,880	1,129,360	311	8,370	3,921,921

2018	2017
\$	\$

Analysis of value of inventories

Total cost of inventories	4,481,048	4,205,332
Less: provision for obsolescence	(559,127)	(355,372)
Cost or valuation at year end	3,921,921	3,849,960

Analysis of goods and publications:

Book centre - inventory	1,193,967	1,445,088
Book centre - goods in transit	117,064	352,393
Regional campuses - books	1,291,667	710,154
Regional campuses - course materials	360,139	243,425
Institute of Education	77,942	77,770
Institute of Research Extension & Training Agriculture	267,031	329,818
	3,307,810	3,158,648
Less: provision for obsolescence	(523,930)	(327,251)
Cost or valuation at year end	2,783,880	2,831,397



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

	Notes	2018 \$	2017 \$
13. TRADE AND OTHER RECEIVABLES			
Government contributions	13a	168,787	8,286,977
Trade debtors	13b	2,813,857	1,835,282
Student debtors	13c	12,131,408	16,255,579
Staff debtors	13d	22,384	17,057
VAT / GST receivable	13e	3,594,484	3,725,197
Other debtors	13f	7,671,531	8,674,836
		<u>26,402,451</u>	<u>38,794,928</u>
Less: allowance for impairment losses	3(i)	<u>(19,025,828)</u>	<u>(15,272,462)</u>
		<u>7,376,623</u>	<u>23,522,466</u>
13a. CONTRIBUTION DUE FROM GOVERNMENTS			
Fiji		-	8,194,193
Marshalls		168,787	92,784
Vanuatu		-	-
Niue		-	-
		<u>168,787</u>	<u>8,286,977</u>
Overpayments by member countries are classified as creditors and accruals.			
13b. TRADE DEBTORS			
Alafua campus		233,934	239,406
Emalus campus and book centre		396,884	374,640
Tonga campus (IOE)		15,650	16,379
Laucala campus - Commercial		17,082	41,328
- Others		2,150,307	1,163,529
		<u>2,813,857</u>	<u>1,835,282</u>
Less: allowance for impairment losses	3(i)	<u>(1,314,335)</u>	<u>(1,195,471)</u>
		<u>1,499,522</u>	<u>639,811</u>
13c. STUDENT DEBTORS			
Alafua		578,668	891,258
Emalus		2,820,363	3,661,322
Laucala		2,213,791	4,945,769
Other regional campuses		6,518,586	6,757,230
		<u>12,131,408</u>	<u>16,255,579</u>
Less: allowance for impairment losses	3(i)	<u>(11,264,715)</u>	<u>(8,963,153)</u>
Write-off of student debts		-	(1,969,172)
		<u>866,693</u>	<u>5,323,254</u>



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended 31 December 2018

	Notes	2018 \$	2017 \$
13d. STAFF DEBTORS			
Laucala		-	-
Other regional campuses		22,384	17,057
		22,384	17,057
Less: allowance for impairment losses	3(i)	(21,872)	(13,951)
		512	3,106
13e. VAT/GST RECEIVABLE			
Alafua book centre		695,855	837,916
Laucala book centre		2,898,629	2,887,281
		3,594,484	3,725,197
Less: allowance for impairment losses	3(i)	(3,549,253)	(2,727,831)
		45,231	997,366
13f. OTHER DEBTORS			
Development assistance partners (projects)		3,582,943	6,529,774
Interest receivable		674,563	408,389
Other debtors (Bonds & Security Deposits)		3,414,025	1,736,673
		7,671,531	8,674,836
Less: allowance for impairment losses	3(i)	(2,875,653)	(402,884)
		4,795,878	8,271,952
Amounts charged to the provision account are written off when there is no expectation of recovery.			
14. PREPAYMENTS			
Alafua		-	-
Laucala		1,138,075	848,411
Laucala book centre		19,862	29,999
Solomon		8,881	11,223
		1,166,818	889,633
15. CASH AND CASH EQUIVALENTS AND TERM DEPOSITS			
Cash and cash equivalents			
• Current Accounts		21,998,817	20,467,785
• Term deposits (3 months or less)		47,704,720	22,989,766
• Cash on hand and petty cash		22,163	55,629
		69,725,700	43,513,180
Term deposits (between 3 to 12 months)		25,839,760	21,858,570
Total		95,565,460	65,371,750



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

Notes	2018 \$	2017 \$
15a. WHERE HELD		
In Fiji	31,963,127	22,245,613
With other regional banks	21,540,505	17,305,354
In other overseas accounts	42,061,828	25,820,783
	95,565,460	65,371,750
15b. COMPRISING:		
University funds	54,937,805	34,705,236
Development assistance (projects)	34,862,326	24,788,146
Endowment funds	5,765,329	5,878,368
	95,565,460	65,371,750

Development assistance (projects) and Endowment funds are restricted and are not available for the University's recurrent expenditure.

15c. THE TERM DEPOSITS ARE DENOMINATED IN THE FOLLOWING CURRENCIES BUT STATED IN FIJIAN DOLLARS:

Fijian Dollars	9,334,522	4,212,072
Australian Dollars	39,237,358	18,016,813
New Zealand Dollars	20,342,697	18,357,618
Japanese Yen	190,990	29,577
United States Dollars	4,236,510	4,033,071
Vanuatu Vatu	202,403	199,185
	73,544,480	44,848,336

Cash and cash equivalents denominated in other currencies are exposed to foreign currency risk.

16. RECONCILIATION OF NET CASH FROM OPERATING ACTIVITIES TO STATEMENT OF COMPREHENSIVE INCOME

Surplus for the year	13,219,940	9,617,854
<u>Adjustments to income and expenditure:</u>		
Release of deferred revenue	(3,866,601)	(4,924,277)
Depreciation and amortisation	9,898,639	14,032,413
Movement in provision for doubtful debts	-	476,463
Reversal of impairment loss	(3,807,716)	-
Loss on disposal of assets due to fire	6,972,254	-
Write-off student debts	(1,140,183)	(1,969,172)
Provision for leave entitlement	(207,155)	(238,398)
Write down/(reversal) in value of inventories	203,755	38,422
Net cash from operating activities before changes in assets and liabilities	21,272,933	17,033,305
(Increase)/Decrease in inventories	(275,716)	300,984

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

Notes	2018 \$	2017 \$
16. RECONCILIATION OF NET CASH FROM OPERATING ACTIVITIES TO STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)		
Decrease /(Increase) in accounts receivable	12,392,476	(8,345,105)
(Increase)/Decrease in prepayments	(277,185)	(686,575)
Increase/(Decrease) in development assistance (projects)	10,074,180	346,661
(Decrease)/Increase in creditors	(1,531,234)	3,205,316
(Decrease) in foreign currency translation reserve	(862,212)	(196,074)
Net cash provided by normal activities	40,793,242	11,658,512

17. PROPERTY, PLANT AND EQUIPMENT

	Property \$	Equipment and Furniture \$	Vehicles and Vessels \$	Work in Progress \$	Total \$
Cost					
Deemed cost at 1 January 2017	246,176,561	51,449,854	3,904,582	10,188,512	311,719,509
Additions	4,830,428	7,712,570	227,123	5,921,711	18,691,832
Disposals	-	-	(377,851)	-	(377,851)
Transfers between asset classes	1,375,332	1,166,652	-	(2,541,984)	-
Deemed cost at 31 December 2017	252,382,321	60,329,076	3,753,854	13,568,239	330,033,490
Reclassification to intangible assets		(55,600)			(55,600)
Additions	8,745,524	6,070,217	233,925	7,017,077	22,066,743
Disposals	(12,035,706)	(2,003,083)	-	-	(14,038,789)
Transfers between asset classes	789,520	-		(789,520)	-
Deemed cost at 31 December 2018	249,881,659	64,340,610	3,987,779	19,795,796	338,005,844
Accumulated depreciation					
Accumulated depreciation at 1 January 2017	51,269,763	36,909,672	2,824,714	-	91,004,149
Charge for the year	5,776,166	7,547,207	383,575	-	13,706,948
Disposals	-	-	(377,851)	-	(377,851)
Accumulated depreciation at 31 December 2017	57,045,929	44,456,879	2,830,438	-	104,333,246
Reclassification to intangible assets		20,441			20,441
Charge for the year	5,384,512	4,164,941	186,900	-	9,736,353
Disposals	(5,819,220)	(1,246,108)	-	-	(7,065,328)
Accumulated depreciation at 31 December 2018	56,611,221	47,396,153	3,017,338	-	107,024,712



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

	Property	Equipment and Furniture	Vehicles and Vessels	Work in Progress	Total
	\$	\$	\$	\$	\$
17. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)					
Net carrying amount at 1 January 2017	194,906,798	14,540,182	1,079,868	10,188,512	220,715,360
Net carrying amount at 31 December 2017	195,336,392	15,872,197	923,416	13,568,239	225,700,244
Net carrying amount at 31 December 2018	193,270,438	16,944,457	970,441	19,795,796	230,981,132

Property and equipment addition in 2018 include assets of \$9,081,077 regarding the Nauru Campus that were donated by the Government of Nauru and which is accounted for as an equity contribution by a member country (Note 22(a)).

Property and equipment disposal for 2018 include the de-recognition of assets with a carrying value of \$6,972,254 that were lost due to fire in November 2018. The building was insured and the claims from insurance will be recognised as revenue when received. The University is currently assembling the details to be able to make a claim for recovery of the loss under its insurance arrangements.

Work in progress

Work in progress relates to costs for property-related projects where the project has not been completed. The costs will be capitalised once all major items of expenditure, other than the payment of retention monies, have been incurred and the asset is put into service.

	2018	2017
	\$	\$
Carrying amount of work in progress projects		
Continuing from prior years		
Improve campus infrastructure and developments	9,253,241	4,862,212
IT equipment installation	3,993,171	3,239,460
Lab equipment installation	1,263,293	850,583
Improve recreational space and campus life	81,195	52,304
Lautoka Campus	16,933	16,933
New Entrance Road Construction	387,657	123,677
Marshall Islands Campus	-	789,520
Solomon Islands Campus	2,309,961	2,016,052
12 th Hall	848,087	451,283
Road Upgrade	663,780	556,000



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended 31 December 2018

	2018	2017
	\$	\$
17. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)		
Carrying amount of work in progress projects (continued)		
GIS Lab	277,358	269,168
Lecture Capture	341,047	341,047
New Projects in 2018		
Confucius Institute	299,151	
Tuvalu Campus	60,922	
	19,795,796	13,568,239
Reconciliation of fixed assets to related accounts		
Carrying amount of property, plant and equipment at 31 December	230,981,132	225,700,244
<u>This carrying amount has been funded from the following:</u>		
Deferred income	103,393,530	107,077,289
Other contributed equity from member countries	26,944,762	17,863,755
Carrying amount of properties acquired directly or through loans:		
Statham street Campus	3,522,109	3,606,009
Services complex	84,960	89,280
Residential block	640,000	664,000
Student Accommodation	7,379,621	7,597,214
Kiribati Campus	7,914,000	8,137,819
Solomon Islands Campus - WIP	2,309,961	2,016,052
Lautoka Campus – WIP	16,933	16,933
From operating activities	78,755,256	78,631,893
	230,981,132	225,700,244
18. INTANGIBLE ASSETS		
Deemed cost at 1 January 2017		2,329,292
Additions		17,637
Deemed cost at 31 December 2017		2,346,929
Reclassification from equipment		55,600
Additions		130,915
Deemed cost at 31 December 2018		2,533,444
Amortisation and impairment		
At 1 January 2017		1,275,366
Amortisation		325,465
Amortisation at 31 December 2017		1,600,831



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

	2018	2017
	\$	\$
18. INTANGIBLE ASSETS (CONTINUED)		
Amortisation and impairment (Continued)		
Reclassification from equipment		(20,441)
Amortisation		162,286
Amortisation at 31 December 2018		<u>1,742,676</u>
Net carrying amount at 1 January 2017		<u>1,053,926</u>
Net carrying amount at 31 December 2017		<u>746,098</u>
Net carrying amount at 31 December 2018		<u>790,768</u>

This comprises IT Software costs.

19. FINANCING FACILITIES

The University has access to overdraft facilities of \$5,000,000 (December 2017: \$5,000,000) with various banks across the region for which all conditions precedent have been met. As at 31 December 2018: nil (December 2017: nil) was utilised.

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying amount of cash and cash equivalents as at 31 December 2018 is \$69,725,700 (December 2017: \$43,513,180). Held-to-maturity financial assets as at 31 December 2018 is \$25,839,760 (December 2017: \$21,858,570).

20. BORROWINGS

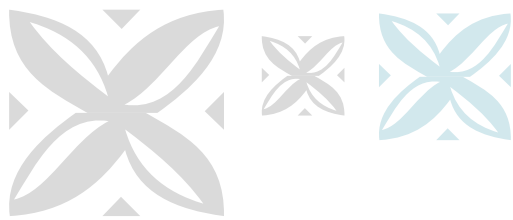
	December 2018	December 2017
	\$	\$
Fiji National Provident Fund Loan (FNPF)	4,904,193	2,764,867
Asian Development Bank Loan (ADB)	<u>8,800,898</u>	<u>8,607,153</u>
Amortisation at 31 December 2018	<u>13,705,091</u>	<u>11,372,020</u>
Disclosed in the financial statements as follows:		
Current	342,525	204,165
Non-current	<u>13,362,566</u>	<u>11,167,855</u>
	<u>13,705,091</u>	<u>11,372,020</u>

19a. Fiji National Provident Fund Loan

The University entered into a loan agreement of \$7.0m with FNPF to construct the 11th Hall for student accommodation at the Laucala Campus. The loan is to be repaid within 15 years of the first drawdown with the interest rate being fixed at 3.5% for 5 years. The interest rate at each of the next lot of 5 year intervals will be 0.5% less than the 5 year Fiji Infrastructure Bond rate applicable at that time.

19b. Asian Development Bank Loan

The University entered into a loan agreement with ADB of SDR 2,336,000 to construct the Kiribati Campus. The loan is to be paid off between December 2020 and May 2046 with the applicable interest rate being 1% during the grace period and 1.5% thereafter.



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended 31 December 2018

20. BORROWINGS (continued)

The University entered into another loan agreement with ADB of SDR 10,973,000 to construct the Solomon Islands Campus. The loan is to be paid off between December 2024 and June 2048 with the applicable interest rate being 1% during the grace period and 1.5% thereafter. As of 31 December 2018, SDR 642,135 had been utilised.

	2018	2017
	\$	\$

21. CREDITORS AND ACCRUALS

Member countries' contributions received in advance	3,433,736	1,025,013
Other creditors and accruals	5,183,476	9,707,774
Research funds	5,424,570	5,531,468
Payroll creditors	2,141,465	3,091,487
Student creditors	498,124	488,279
Student fees received in advance	1,920,218	1,429,842
Trade creditors	5,606,683	4,306,418
	24,208,272	25,580,281

21a. DEVELOPMENT ASSISTANCE (PROJECTS) UNEXPENDED

Australia	6,543,994	6,309,471
NZ	5,353,972	2,801,987
EU	5,966,811	883,733
Japan	3,561,061	480,645
Others	13,436,488	14,312,310
	34,862,326	24,788,146

Development assistance (projects) funds are from development partners and are appropriated for a variety of purposes ranging from research, scholarship, community outreach and capital developments.

21b. PROVISIONS*Current*Provision for annual leave

Balance at 1 January	5,216,866	5,455,264
Movement during the year	(207,155)	(238,398)
Balance at 31 December	5,009,711	5,216,866

Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after reporting date.

*Non-current*Provision for severance allowance

Balance at 1 January	879,725	975,085
Additional provision during the year	16,310	38,441
Paid during the year	(62,498)	(133,801)
Balance at 31 December	833,537	879,725



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

	2018	2017
	\$	\$
21c. DEFERRED INCOME		
Balance at 1 January	107,077,289	111,752,821
Additions during the year	184,049	248,745
Release during the year – depreciation	(3,866,601)	(4,924,277)
Release during the year – disposal	(1,207)	-
Balance at year end	103,393,530	107,077,289
(i) Disclosed in the financial statements as follows:		
Current	3,866,601	4,924,277
Non-current	99,526,929	102,153,012
	103,393,530	107,077,289

22. CAPITAL AND RESERVES

(a) Other contributed equity

The amount reflects the cost of assets donated by member countries in its capacity as the owners of the University. Contributions received during the year were from Government of Nauru whereby a new Nauru Campus was donated.

(b) Foreign currency translation reserve

This reserve represents the resultant exchange gain/loss arising from the translation of all overseas campus balances on aggregation.

	2018	2017
	\$	\$
23. COMMITMENTS		
23a. OPERATING LEASE COMMITMENTS		
The commitments in respect of leased assets are as follows:		
Not later than one year	237,505	847,766
Later than one year and not later than five years	-	237,505
	237,505	1,085,271

The University has an operating lease with Fuji Xerox Fiji for the provision of managed multi-function device services. The minimum monthly lease payments of \$39,912 for six months are subject to adjustments based on actual utilisation.

23b. CAPITAL COMMITMENTS

In addition to the amounts reported in the financial statements, the University has a capital commitment of \$11,456,252 for various projects not yet started and asset purchases for which the items had not been received or paid for. This balance was not been recognised as a liability at balance date.



The University of the South Pacific
NOTES TO THE FINANCIAL STATEMENTS
 For the Year Ended 31 December 2018

	2018	2017
	\$	\$
24. CONTINGENT ASSETS AND LIABILITIES		
<u>Contingent liabilities</u>		
The University's contingent liabilities are estimated to be:		
Fiji Electricity Authority - guarantees given	158,857	158,857
FRCA - customs bond - guarantees given	31,000	31,000
Ministry of Infrastructure and Transport - guarantees given	743,963	743,963
Ministry of Fisheries and Forest - guarantees given	151,956	151,956
VAT on contributions received from Fijian Government (1992 - 2007)	39,802,087	39,802,087
	40,887,863	40,887,863
<u>Contingent assets</u>		
VAT on Fijian Government contributions (1992 - 2007)	39,802,087	39,802,087

The Fiji Revenue Customs Authority (FRCA) advised in a letter dated June 2007 that the University may be liable to pay VAT on contributions received from the Government of Fiji since 1992. The University had made an effort in 2009 to close the matter with FRCA, but no reply or any formal assessment has been issued by FRCA since the University's last communication dated 20 October 2009. Accordingly, no provision for liability has been made in the financial statements. Agreements with the Government of Fiji subsequent to 2007 specify that contribution amounts are exclusive of VAT.

The University claims Government contributions on a VAT exclusive basis. In the event that the tax liability is considered probable, the University would make a claim for the short fall in payment of contributions and recognise a receivable amount to the value of the potential tax liability.

Legal claim contingency

There are various legal claims and trade disputes pending against the University as at balance date. The University considers these claims, arising in the normal course of business, to be immaterial and mostly spurious. No amounts have been provided in relation to any of these matters.

25. RELATED PARTIES

The University is controlled by 12 member countries comprising Fiji, Tuvalu, Tonga, Solomon Islands, Samoa, Republic of Marshall Islands, Nauru, Niue, Cook Islands, Vanuatu, Kiribati and Tokelau. During the period the University received grants of \$42,295,000 (refer to note 4), amounts receivable amounted to \$168,787 (2017: \$8,286,977) and contributions received in advance amounted to \$3,433,736 (2017: \$1,025,013).

Key management personnel disclosures

(a) Names of responsible persons and senior management team

The following persons were responsible persons and senior management team of the University during the period. All members of the University council were appointed or elected under the provisions of the University Charter. Council members include the University employees who may be ex-official members or elected staff members.

(i) University Council Members

- Mr Winston Thompson, Pro-Chancellor & Chair of Council
- Professor Rajesh Chandra, Vice-Chancellor & President
- Hon Henry Puna, Prime Minister & Minister for Education, Cook Islands
- Hon. Wilbur Heine, Minister for Education, Marshall Islands



The University of the South Pacific

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

Key management personnel disclosures

(i) University Council Members (continued)

Hon. Charmaine Scotty, Minister for Education, Nauru

Hon. Billy Talagi, Minister for Education, Niue

Hon. John Deane Kuku, Minister for Education, Solomon Islands

Hon. Fauoa Maani, Minister for Education, Tuvalu

Hon. Penisimani 'Epenisa Fifita, Minister for Education, Tonga

Hon. Jean Pierre Nirua, Minister for Education, Vanuatu

Hon. David Collins, Minister for Education, Kiribati

Hon. Fano Mativa, Minister for Education, Tokelau

Hon. Loau Keneti Sio, Minister for Education, Samoa

Mr Iulai Lavea, Chief Executive Officer, Ministry of Finance, Samoa

Hon. Aiyaz Sayed-Khaiyum Minister for Education, Heritage & Arts, Fiji

Ms Alison Burchell, Permanent Secretary for Education, Fiji

Ms Makereta Konrote, Permanent Secretary for Economy, Fiji

Ms Fay Yee, Fiji

Mr Iowane Naiveli, Fiji – till 31 October 2018

Professor (Emeritus) Sally Ann Walker, AM, Government of Australia

Mr Steve Maharey Government of New Zealand

Ms Cristelle Pratt, Deputy Secretary General, Pacific Island Forum Secretariat

Professor Konai Helu Thaman, Senate rep – till 19 October 2018

Professor Surendra Prasad – from 20 October 2018

Professor Sushil Kumar, Senate Rep

Mr. Emosi Vakarua USPSA (student rep)

Mr Eggo Soriano, USPSA (student rep)

Dr Krishna Raghuwaiya, Staff rep

Dr Morgan Tuimaleali'fano – till 21 September 2018

Dr Robin Havea - from 29 October 2018

Dr Kabini Sanga

Mr Digby Bossley

Ms Kate Vusoniwailala

Ms Lorna A. Johansson, Deputy Pro-Chancellor and Deputy Chair. Also Co-opted member

Ms Petunia Tupou

Ms Martha Henry

Mr Semi Tukana

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2018

(ii) Senior management team

Professor Rajesh Chandra, Vice-Chancellor and President

Dr Giulio Paunga, Vice President (Regional Campuses and Properties and Facilities)

Professor Richard Coll, Deputy Vice-Chancellor (Learning and Teaching)

Professor Derrick Armstrong, Deputy Vice-Chancellor (Research and International)

Dr Akanisi Kedrayate, Dean, Faculty of Arts, Law and Education

Dr Anjeela Jokhan, Acting Vice-President (Planning, Quality & Digital Services)

Dr Bibhya Sharma, Acting Dean, Faculty of Science, Technology and Environment

Professor Arvind Patel, Acting Dean, Faculty of Business and Economics

Kolinio Boila, Executive Director Finance

	2018	2017
	\$	\$

(b) Remuneration of Council Members and Senior Management Team**Remuneration of Council members**

\$10,000 - \$19,999	3	3
\$20,000 - \$29,999	1	1

Refer to note 9 and 10 for details of council members and senior management team remuneration.

Remuneration of Council members

\$160,000 - \$179,999	-	-
\$180,000 - \$199,999	1	1
\$200,000 - \$219,999	-	1
\$220,000 - \$239,999	1	1
\$240,000 - \$259,999	-	1
\$260,000 - \$279,999	-	1
Above \$300,000	7	4
	9	9

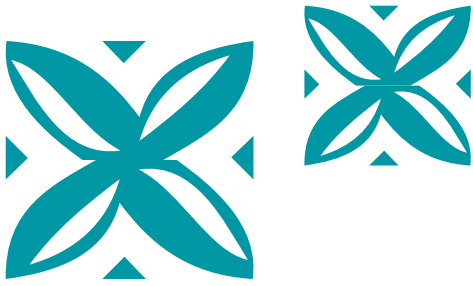
The University is not aware of any material transactions that may have been conducted with Council members of the University. Transactions are at arm's length and on terms and conditions no more favourable than those which it is expected the University would have adopted for a normal employee, customer or supplier relationship.

(c) Key management personnel compensation

Short term employee benefits	3,495,655	2,781,911
Termination benefits	-	-
	3,495,655	2,781,911

26. EVENTS SUBSEQUENT TO YEAR END

There has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of a material and unusual nature likely to affect significantly the operations of the University, the results of those operations or the state of affairs of the University in subsequent periods.



2018 marks The University of the South Pacific's 50 years of existence, and a one-of-a-kind logo and theme was created to celebrate this milestone. The annual report follows the 50th anniversary theme which highlights the role that the University has played in helping shape the future of the Pacific region, and especially towards the development and training of outstanding Pacific leaders over the past 50 years.

The placements of the old photos with the new visually show how far the University has come from then until now. By honouring the past, USP can help shape the futures of the Pacific Island people it faithfully continues to serve.



