

**The University of the Sunshine Coast Student Guild**

**ABN 99 377 891 320**

**Financial report for the year ended 31 December 2018**

The University of the Sunshine Coast Student Guild - ABN 99 377 891 320

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31  
DECEMBER 2018

	Note	2018	2017
		\$	\$
Revenue	2	258,002	326,609
<b>Expenses</b>			
Salaries and Wages	3	(215,649)	(136,105)
Depreciation	6	(361)	-
Bad Debt Expense		(4,414)	-
Clubs and Societies		(24,695)	(18,986)
Food		(11,829)	(10,255)
Orientation Expenses		(25,508)	(15,623)
Other Expenses	4	(53,241)	(34,868)
		<u>(335,697)</u>	<u>(215,837)</u>
<b>Current year surplus before income tax</b>		<u>(77,695)</u>	<u>110,772</u>
Tax expense		-	-
<b>Net current year surplus</b>		<u>(77,695)</u>	<u>110,772</u>
<b>Other comprehensive income</b>			
Total other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<u>-</u>	<u>-</u>
Net current year surplus attributable to members of the entity		<u>(77,695)</u>	<u>110,772</u>
Total comprehensive income attributable to members of the entity		<u>(77,695)</u>	<u>110,772</u>

The accompanying notes form part of these financial statements.

The University of the Sunshine Coast Student Guild - ABN 99 377 891 320

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	2018	2017
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	5	89,807	174,872
Accounts receivable and other debtors		7,133	-
Provision for Doubtful Debts		(4,414)	-
<b>TOTAL CURRENT ASSETS</b>		<u>92,526</u>	<u>174,872</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	6,147	-
<b>TOTAL NON-CURRENT ASSETS</b>		<u>6,147</u>	<u>-</u>
<b>TOTAL ASSETS</b>		<u>98,673</u>	<u>174,872</u>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Employee benefits		12,178	5,992
Trade and other payables	7	4,471	9,161
<b>TOTAL CURRENT LIABILITIES</b>		<u>16,649</u>	<u>15,153</u>
<b>NON-CURRENT LIABILITIES</b>			
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>		<u>16,649</u>	<u>15,153</u>
<b>NET ASSETS</b>		<u>82,024</u>	<u>159,719</u>
<b>EQUITY</b>			
Retained surplus		82,024	159,719
<b>TOTAL EQUITY</b>		<u>82,024</u>	<u>159,719</u>

The accompanying notes form part of these financial statements.

The University of the Sunshine Coast Student Guild - ABN 99 377 891 320

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Retained Earnings	Total
	\$	\$
<b>Balance at 1 January 2017</b>	48,947	48,947
<b>Comprehensive income</b>		
Surplus/(Loss) for the year attributable to members of the entity	110,772	110,772
Other comprehensive income for the year	-	-
<b>Total comprehensive income attributable to members of the entity</b>	110,772	110,772
<b>Balance at 31 December 2017</b>	159,719	159,719
<b>Balance at 1 January 2018</b>	159,719	159,719
<b>Comprehensive income</b>		
Surplus/(Loss) for the year attributable to members of the entity	(77,695)	(77,695)
Other comprehensive income for the year	-	-
<b>Total comprehensive income attributable to members of the entity</b>	(77,695)	(77,695)
<b>Balance at 31 December 2018</b>	82,024	82,024

The accompanying notes form part of these financial statements.

The University of the Sunshine Coast Student Guild - ABN 99 377 891 320

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018	2017
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers		250,203	325,903
Cash paid to suppliers and employees		(335,844)	(207,609)
Cash generated from operations		(85,641)	118,294
Interest received		666	706
Net cash generated from operating activities		(84,975)	119,000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net cash used in investing activities		-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net cash used in financing activities		-	-
Net increase/(decrease) in cash held		(84,975)	119,000
Cash on hand at beginning of the financial year		174,782	55,872
Cash on hand at end of the financial year	5	89,807	174,872

The accompanying notes form part of these financial statements.

## The University of the Sunshine Coast Student Guild - ABN 99 377 891 320

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

The financial statements cover The University of the Sunshine Coast Student Guild is an individual entity, incorporated and domiciled in Australia. The University of the Sunshine Coast Student Guild is an incorporated association.

The financial statements were authorised for issue on 29/03/19 by the management committee of the association.

#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### **Basis of Preparation**

These special purpose financial statements have been prepared in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, *University of the Sunshine Coast Act 1998* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

##### **Accounting Policies**

###### **a. Revenue**

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before the entity is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the state of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

The University of the Sunshine Coast Student Guild receives non-reciprocal contributions of assets from the government and other parties for no or nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations are recognised as revenue when received.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax.

###### **b. Inventory**

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost or for nominal consideration are measured at the current replacement cost as at the date of acquisition.

###### **c. Fair Value of Assets and Liabilities**

The association measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

d. **Property, Plant and Equipment**

**Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use.

The depreciation rates used for each class of depreciable assets are:

<b>Class of Fixed Asset</b>	<b>Depreciation Rate</b>
Plant and equipment	20%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

e. **Cash on Hand**

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

f. **Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

g. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

h. **Income Tax**

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

i. **Comparative Figures**

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the association retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period, in addition to the minimum comparative financial statements, must be disclosed.

j. **Accounts Payable and Other Payables**

Accounts payable and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

k. **Economic Dependence**

The University of the Sunshine Coast Student Guild is dependent on the University of the Sunshine Coast for the majority of its revenue used to operate the business. At the date of this report, the Management Committee has no reason to believe the University will not continue to support The University of the Sunshine Coast Student Guild.



The University of the Sunshine Coast Student Guild - ABN 99 377 891 320

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
NOTE 2: REVENUE AND OTHER INCOME	\$	\$
- University grants - operating	200,454	300,000
- Book exchange income	17,238	10,938
- Events income	18,403	7,162
- Miscellaneous income	21,907	8,509
Total revenue and other income	258,002	326,609
NOTE 3: EXPENSES - SALARIES AND WAGES		
- Wages and salaries	197,501	124,364
- Superannuation	18,148	11,741
Total salaries and wages expense	215,649	136,105
NOTE 4: EXPENSES - OTHER EXPENSES		
- Auditors	2,980	2,800
- Book Exchange	10,636	-
- Merchant Fees	43	1,140
- Cleaning	-	174
- Student Services	-	8,346
- Events	16,067	-
- Equipment <\$1000	1,978	3,657
- Licencing Fees	1,708	1,238
- Meeting expenses	83	83
- General Repairs & Maintenance	452	534
- Printing	1,848	3,356
- Volunteers	1,563	957
- Stationery	4,647	921
- Staff Amenities	712	1,089
- Staff Training Expenses	2,368	2,880
- Travel & Accom. Expenses	3,845	1,032
- Motor Vehicle Fuel/Oil	151	272
- Work cover	1,560	763
- Misc. expenses/(income)	2,600	5,626
Total other expenses	53,241	34,868

The University of the Sunshine Coast Student Guild - ABN 99 377 891 320

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
NOTE 5: CASH AND CASH EQUIVALENTS	\$	\$
Cash at bank - unrestricted	89,807	174,872
Total cash and cash equivalents as stated in the statement of financial position and statement of cash flows	<u>89,807</u>	<u>174,872</u>
NOTE 6. PROPERTY, PLANT AND EQUIPMENT	Plant & Equipment	Total
	\$	\$
Gross Carrying Amount		
Balance at 1 January 2018	-	-
Acquisitions	6,508	6,508
Balance at 31 December 2018	<u>6,508</u>	<u>6,508</u>
Depreciation and impairment losses		
Balance at 1 January 2018	-	-
Depreciation charge for the year	(361)	(361)
Disposals	-	-
Balance at 31 December 2018	<u>(361)</u>	<u>(361)</u>
Net Carrying Amounts		
At 31 December 2017	-	-
At 31 December 2018	<u>6,147</u>	<u>6,147</u>

The University of the Sunshine Coast Student Guild - ABN 99 377 891 320

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

NOTE 7: OTHER PAYABLES - CURRENT

	2018	2017
	\$	\$
Trade Creditors	26	-
GST	3,262	(1,627)
Customer deposits	-	150
PAYG withholding	1,066	7,416
Superannuation payable	117	3,522
Total other payables	<u>4,471</u>	<u>9,461</u>

COMMITTEES' DECLARATION

The committee of the University of the Sunshine Coast Student Guild declare that in the committees' opinion:

1. The financial statements and notes, as set out on pages 1 to 11 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 and the University of the Sunshine Coast Act 1998* and:
  - a. comply with Australian Accounting Standards; and
  - b. give a true and fair view of the financial position of the University of the Sunshine Coast Student Guild as at 31 December 2018 and of its performance for the year ended on that date.
2. There are reasonable grounds to believe that the University of the Sunshine Coast Student Guild will be able to pay its debts as and when they become due and payable.

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

Committee's signature:



Dated this

first

day of

April

2019



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## INDEPENDENT AUDITOR'S REPORT

To the members of The University of the Sunshine Coast Student Guild

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of The University of the Sunshine Coast Student Guild (the Guild), which comprises the statement of financial position as at 31 December 2018, the statement of profit and loss and the statement of changes in equity for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and managements' assertion statement.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying financial report of The University of the Sunshine Coast Student Guild presents fairly, in all material respects, the financial position of The University of the Sunshine Coast Student Guild's as at 31 December 2018 and its financial performance for the year ended on that date, is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012 & University of the Sunshine Coast Act 1998*.

#### Basis for qualified opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Entity in accordance with ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

The entity has determined that it is impracticable given its resources, for it to establish sufficient controls to monitor the collection and management of revenue prior to entry into its financial records. Accordingly, as the evidence available was limited, we were unable to perform audit procedures over the completeness of revenue. We are therefore unable to express an opinion with regard to the completeness of The University of the Sunshine Coast Student Guild's revenue.

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



#### **Emphasis of matter - Basis of accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist The Guild to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012 & University of the Sunshine Coast Act 1998*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### **Responsibilities of management and those charged with governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012, University of the Sunshine Coast Act 1998* and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Guild's financial reporting process.

#### **Auditor's responsibilities for the audit of the Financial Report**

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_files/ar3.pdf](http://www.auasb.gov.au/auditors_files/ar3.pdf)

This description forms part of our auditor's report.

**BDO Audit Pty Ltd**

A handwritten signature in blue ink, appearing to read 'Bruce Swan', written over the printed name.

Bruce Swan  
Director/Partner

Maroochydore, 2 April 2019