

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

ABN 99 377 891 320

## **Financial Statements**

For the Year Ended 31 December 2021

# The University of the Sunshine Coast Student Guild

ABN 99 377 891 320

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For the Year Ended 31 December 2021

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# 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 2021

	2021	2020
	\$	\$
<b>Revenue</b>		
Grants from USC for provision of services	424,000	300,591
Government grants (COVID-19 related)	-	115,856
Parental leave subsidy	13,794	-
Other grants	1,409	11,603
Income from events	6,408	9,526
Wages subsidy	9,000	4,500
Other income	4,312	2,279
Interest income	16	81
<b>Total revenue</b>	<b>458,939</b>	<b>444,436</b>
<b>Expenditure</b>		
Employee benefits expense	348,125	288,978
Event and other activities costs	25,543	16,871
Clubs & Societies expenses	21,822	14,697
Community kitchen expenses	7,330	8,564
Food and other student welfare costs	4,014	2,142
Depreciation expense	995	1,244
Fringe benefits tax (refunds)	(10,571)	-
Other expenses	37,518	24,880
Finance expenses	-	96
<b>Total expenditure</b>	<b>434,776</b>	<b>357,472</b>
<b>Operating result</b>	<b>24,163</b>	<b>86,964</b>
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>24,163</b>	<b>86,964</b>

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 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	247,847	209,570
Trade and other receivables	5	2,156	887
<b>TOTAL CURRENT ASSETS</b>		<b>250,003</b>	<b>210,457</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	6	3,979	4,974
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,979</b>	<b>4,974</b>
<b>TOTAL ASSETS</b>		<b>253,982</b>	<b>215,431</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	46,069	32,949
Employee benefits	8	24,790	23,522
<b>TOTAL CURRENT LIABILITIES</b>		<b>70,859</b>	<b>56,471</b>
<b>TOTAL LIABILITIES</b>		<b>70,859</b>	<b>56,471</b>
<b>NET ASSETS</b>		<b>183,123</b>	<b>158,960</b>
<b>EQUITY</b>			
Retained earnings		183,123	158,960
<b>TOTAL EQUITY</b>		<b>183,123</b>	<b>158,960</b>

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 2021**

**2021**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2021</b>	<b>158,960</b>	<b>158,960</b>
Operating result	<b>24,163</b>	<b>24,163</b>
<b>Balance at 31 December 2021</b>	<b>183,123</b>	<b>183,123</b>

**2020**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2020</b>	<b>71,996</b>	<b>71,996</b>
Operating result	<b>86,964</b>	<b>86,964</b>
<b>Balance at 31 December 2020</b>	<b>158,960</b>	<b>158,960</b>

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 2021

	2021	2020
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipt from grants	467,900	458,309
Receipts from customers	33,895	21,606
Interest received	16	81
Payments to suppliers and employees	<u>(463,534)</u>	<u>(376,768)</u>
Net cash provided by/(used in) operating activities	10 <u>38,277</u>	103,228
Net increase/(decrease) in cash and cash equivalents held	38,277	103,228
Cash and cash equivalents at beginning of year	<u>209,570</u>	106,342
Cash and cash equivalents at end of financial year	4 <u><u>247,847</u></u>	<u>209,570</u>

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 2021

The financial report covers The University of the Sunshine Coast Student Guild as an individual entity. The University of the Sunshine Coast Student Guild is a not-for-profit body corporate established by the *University of the Sunshine Coast Act 1998*.

The functional and presentation currency of The University of the Sunshine Coast Student Guild is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

#### 1 Basis of Preparation

In the opinion of those charged with Governance the Student Guild is not a reporting entity because there are no users dependent on general purpose financial statements. These special purpose financial statements have been prepared to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1048 *Interpretation of Standards* and AASB 1054 *Australian Additional Disclosures*.

The financial statements have been prepared on an accruals basis and are based on historical costs.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

#### 2 Summary of Significant Accounting Policies

##### (a) Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which the Student Guild is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Student Guild: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

The revenue recognition policies for the principal revenue streams of the Student Guild are:

##### **Grants from USC for provision of services**

The Student Guild receives funding from the University of the Sunshine Coast based upon an annual funding agreement. This income is recognised when invoiced. Any amount repayable to the university at the end of the financial year is included as a liability rather than revenue. Historically, no repayments of this funding have been required and it is not anticipated that a refund will be required in respect of the current years funding.

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### 2 Summary of Significant Accounting Policies

#### (a) Revenue recognition

##### Other grants

Other grant revenue is recognised in profit or loss when the Student Guild satisfies the performance obligations stated within the funding agreements. If conditions are attached to the grant which must be satisfied before the Student Guild is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

##### Other income

Other income is recognised on an accruals basis when the Student Guild is entitled to it.

#### (b) Income Tax

The Student Guild is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

#### (c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### (d) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

#### (e) Plant and equipment

Plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

#### (f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

#### (g) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.



# The University of the Sunshine Coast Student Guild

ABN 99 377 891 320

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### 2 Summary of Significant Accounting Policies

#### (g) Trade and other receivables

The Student Guild has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

#### (h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Student Guild prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

#### (i) Employee benefits

Provision is made for the Student Guild's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

#### (j) Adoption of new and revised accounting standards

The Student Guild has adopted all standards which became effective for the first time at 31 December 2021, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Student Guild.

#### (k) New accounting standards for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The responsible persons have decided against early adoption of these Standards, but do not expect the adoption of these standards to have any impact on the reported position or performance of the Student Guild.

### 3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

# The University of the Sunshine Coast Student Guild

ABN 99 377 891 320

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### 3 Critical Accounting Estimates and Judgments

#### Key estimates - revenue recognition

When determining the nature, timing and amount of revenue to be recognised, the following critical estimates and judgements were applied and are considered to be those that have the most significant effect on revenue recognition.

#### Grants

For some grants, the determination of whether the contract included sufficiently specific performance obligations was a significant judgement. The determination as to whether any liability to refund amounts existed also required judgement to be exercised.

If these determinations were changed then the revenue recognition pattern would be different from that recognised in these financial statements.

### 4 Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash at bank and in hand	238,476	208,485
Other cash and cash equivalents	9,371	1,085
	<u>247,847</u>	<u>209,570</u>

### 5 Trade and other receivables

CURRENT		
Trade receivables	888	887
Other receivables	1,268	-
	<u>2,156</u>	<u>887</u>

### 6 Plant and equipment

At cost	7,834	7,834
Accumulated depreciation	(3,855)	(2,860)
<b>Total plant and equipment</b>	<u><b>3,979</b></u>	<u><b>4,974</b></u>

### 7 Trade and Other Payables

CURRENT		
Deposits	650	580
GST payable	20,638	1,812
Other payables	24,781	30,557
	<u>46,069</u>	<u>32,949</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

# The University of the Sunshine Coast Student Guild

ABN 99 377 891 320

## Notes to the Financial Statements

For the Year Ended 31 December 2021

### 8 Employee Benefits

	2021	2020
	\$	\$
Current liabilities		
Provision for annual leave	24,790	23,522
	<u>24,790</u>	<u>23,522</u>

### 9 Auditors' Remuneration

Remuneration of the auditor for:

- auditing or reviewing the financial statements

**Total**

	2,900	3,385
	<u>2,900</u>	<u>3,385</u>

The charges above relate to audits conducted for the prior years.

### 10 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

Operating result	24,163	86,964
Non-cash flows in profit:		
- depreciation	995	1,244
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(1,269)	4,119
- increase/(decrease) in trade and other payables	13,120	6,371
- increase/(decrease) in employee benefits	1,268	4,530
Cashflows from operations	<u>38,277</u>	<u>103,228</u>

### 11 Economic Dependence

The Student Guild is dependent on the University of Sunshine Coast for the majority of its operating revenue. At the date of this report, the responsible persons have no reason to believe the University will not continue to support the Student Guild.

### 12 Contingencies

In the opinion of those charged with governance, the Student Guild did not have any contingencies at 31 December 2021 (31 December 2020:None).

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

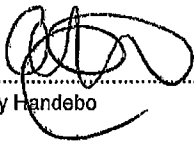
ABN 99 377 891 320

**Responsible Persons' Declaration**

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person ..... 

Courtney Handebo

Dated:

21-02-22

## The University of the Sunshine Coast Student Guild

# Independent Audit 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, which comprises the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible persons' declaration.

In our opinion the financial report of The University of the Sunshine Coast Student Guild has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Registered Entity's financial position as at 31 December 2021 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for 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 Registered Entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

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 for the purpose of fulfilling the Registered Entity's financial reporting responsibilities under the ACNC Act. 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 Responsible Entities for the Financial Report

The responsible persons of the Registered Entity are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the ACNC Act and the needs of the members. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the responsible persons are responsible for assessing the Registered Entity'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 responsible entities either intend to liquidate the Registered Entity or to cease operations, or have no realistic alternative but to do so.

## The University of the Sunshine Coast Student Guild

# Independent Audit Report to the members of The University of the Sunshine Coast Student Guild

### 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 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 the 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 at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

### SAAS Audit Pty Ltd



James Kenward  
Director

138 Juliette Street  
Greenslopes QLD 4120

Dated: 21/2/2022

22 February 2022

The Committee of Management  
USC Student Guild  
University Of Sunshine Coast  
SIPPY DOWNS QLD 4556

Dear Committee Members

**USC STUDENT GUILD AUDIT: Y/E 31 DECEMBER 2021**

We are pleased to confirm that we have finalised our audit of USC Student Guild for 2021 in accordance with professional standards. A copy of the signed accounts have been forwarded to Victoria.

***Matters Arising***

Included with this letter is a schedule of matters we would like to bring to the committee's attention. These are all low-risk matters. Do contact me if you would like to discuss any of these points further.

Our opinion overall continues to be that records are well maintained.

***ACNC Lodgement***

As a reminder, please ensure you complete an annual information statement (AIS) and lodge the financial statements with the ACNC by 30 June 2022.

Iliaz and I would also like to thank Victoria for her assistance during the audit.

Our final invoice in respect of the audit is enclosed.

Yours sincerely



**James Kenward**  
Director

**USC STUDENT GUILD: AUDIT REVIEW POINTS Y/E 31 DECEMBER 2021**

Area	Observation	Risk Assessment	Recommendation	Management Response
Long service leave	No long service leave is included in the accounts.	Low*	<p>In theory long service leave should be provided for based on a probability model which aims to predict which employees will ultimately be entitled to it.</p> <p>A practical approach is to start accruing long service leave on a pro-rata basis for employees with at least 7 years' service. On this basis no provision is needed this year or next year.</p>	
Trade Debtors Listing Difference	Year End Trade debtors in your management accounts were \$887.98. The total of the aged debtors report was \$73.13 - a difference of \$714.84.	Low*	While the difference is not significant, ideally this report would tie into your accounts. We recommend that you try and resolve this historic difference. Any very old balances should be written off.	
Bank Reconciliation	The reconciliation for Working - Cheque A/c 12-2001 includes some old adjustments.	Low	<p>We recommend that you eliminate the old reconciling items.</p> <p>The outstanding cheques of \$350.54 and \$3,330.92 can be matched off against the outstanding deposit of \$3,681.46.</p> <p>The remaining outstanding cheque of \$114.85 dated from 2018. This could be eliminated by booking a dummy receipt on MYOB to this account for the same amount now (perhaps post to 4-4500 – NO GST) and then match of the resultant outstanding receipt against the payment on the reconciliation.</p>	



## USC STUDENT GUILD: AUDIT REVIEW POINTS Y/E 31 DECEMBER 2021

Area	Observation	Risk Assessment	Recommendation	Management Response
Special purpose report	As in prior years a special purpose financial report has been prepared for lodgement with ACNC, our audit report includes an emphasis of matter paragraph with reference to this.	Low*	The special purpose/general purpose decision is principally related to your assessment of the needs of the users of the report. We recommend that the committee minute their decision on this each year (guidance available on the ACNC website).	

The above audit review points have been categorised against the following risk categories (\* = point brought forward from prior year):

Category	Impact
High	<ul style="list-style-type: none"> <li>- Matters which pose a significant business or financial risk to the entity; and/or</li> <li>- Matters that have resulted or could potentially result in a modified or qualified audit opinion if not addressed as a matter of urgency by the entity.</li> </ul>
Moderate	<ul style="list-style-type: none"> <li>- Matters of a systemic nature that pose a moderate business or financial risk to the entity if not addressed as high priority within the current financial year; and/or</li> <li>- matters that may escalate to high risk if not addressed promptly; and/or</li> <li>- Low risk matters which have been reported to management in the past but have not been satisfactorily resolved or addressed.</li> </ul>
Low	<ul style="list-style-type: none"> <li>- Matters that are isolated, non-systemic or procedural in nature; and/or</li> <li>- Matters that reflect relatively minor administrative shortcomings and could be addressed in the context of the entity's overall control environment.</li> </ul>