

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

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INDEX

Directors' Report

Auditor's Independence Declaration

Directors' Declaration

Statement of Profit or Loss and Other Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Financial Statements

Independent Auditor's Report

Compilation Report

Detailed Statements of Income and Expenditure by Category

DIRECTORS' REPORT

Your Directors submit the financial report of the Australian University Sport Limited for the financial year ended 31 December 2015.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Ms D Anderson	Ms E Brett
Ms C Clark (resigned 19 May 2015)	Mr M Daws
Mr M Doulton	Ms K Guerin
Mr B Lynch (resigned 19 May 2015)	Mr J Roff (resigned February 2015)
Prof T Brailsford	Mr P McGrath (appointed 19 May 2015)
Mr A Fisher (appointed 19 May 2015)	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activities of the company during the financial year were to provide peak body representation; strategic planning and coordination of university sport in Australia, including event management and assistance to university sporting teams.

The short term objectives of the company are to:

- Improve sport outcomes for the sector through: growing and improving the quality of participation in regional games; controlling the participation levels and sport quality of the national games; extending and consolidating the envisioned event participation pathway.
- Continue to build sector-wide resilience and sustainability through enhancing communications, professional development, knowledge management and shared best practice to deliver quality benefits and services to our end consumer - the university students of Australia.
- Build a stronger strategic partnership with the Australian Sports Commission to show where university sport can contribute to the national sport system through aligning the aims of higher education and health through sport and activity.

The long term objectives of the company are to:

- Provide effective leadership to the sector.
- Deliver essential services to members and participants enabling the connection of external stakeholders with the university sport sector.
- Impart a 'healthy body - healthy mind' message to the students enrolled in Australian universities
- Encourage fair play and the spirit of doing one's best knowing and promoting that the pursuit of academic and sporting aspirations are complementary components of the university experience.
- Value the importance of the people involved in the promotion and delivery of sport across the tertiary sector.
- Embody a culture of openness and transparency.

To achieve these objectives, the company has adopted the following strategies:

- Consultative strategic planning, implementation and review processes.
- Maintenance of regular, open and transparent reporting and communication channels with members.
- Nationally coordinated programs with a vision shared by AUS, members and student participants.
- Responsible corporate citizenship adopting globally relevant policies such as risk management, member protection, anti-doping and environmentally friendly operating procedures.

Key Performance Measures

The company measures its own performance through the use of a variety of qualitative success measures in the areas of

- Growth and sustainability
- AUS & ASC/AIS Strategic Partnerships
- Improving sport outcomes through events
- Member services
- Business development
- Health promotion and
- Financial performance

These success measures are used by the directors to assess whether the company's short-term and long-term objectives are being achieved.

DIRECTORS' REPORT (cont)

Review of Operations

The surplus of the company for the financial year amounted to \$135,910 which remains consistent with the prior year and operating budgets. We do note however that the High Performance Program World Summer & Winter Games and the Australian Masters Games are held biennially. This results in significantly increased revenue and costs accordingly.

All other operating results remained consistent with Australian University Sport operating budgets. During the year excess cash was transferred to a term deposit so as to maximise Australian University Sport return on capital employed. This resulted in a cash outflow from Investing Activities in the Statement of Cash Flows.

Information on Directors

Deidre Anderson	Chair
Qualifications	PhD (continuing) Macquarie University, Master of Arts (Lifeskill Intervention and Sports Performance) Published Works Victoria University Postgraduate Diploma (Social Science) La Trobe University Postgraduate Certificate (Athlete Counselling) Australian Institute of Sport Bachelor of Arts (Sports Management) Victoria University
Experience	Deidre is currently the Deputy Vice-Chancellor, Students and Registrar at Macquarie University in Sydney. She has held Senior Sports Executive positions at both an international and national level and her contribution to elite sport has been acknowledged worldwide. She has published widely in the areas of coaching and career transition in sport and has a lifelong commitment to supporting the development of young people.
Kim Guerin	Deputy Chair
Qualifications	GCBA UQ, MBA Griffith
Experience	Kim is currently the Director of Campus Life at Macquarie University. Prior to holding her current position, Kim has held the roles of Executive Manager-Higher Performance Unit with Swimming Australia, CEO-Hockey Queensland and was Executive Director for UQ Sport Ltd for over 10 years. She has over 25 years of experience in sports management with specific expertise in strategic planning, financial management and organisational development. Kim has a passion for the value that engagement in sport and physical recreation plays in the student experience. In 2009 she was a finalist in the Young Professional category of the Management Excellence Awards by the Australian Institute of Management.
Professor Tim Brailsford	Universities Australia Appointed Director
Qualifications	BEC (Hons), MEc, PhD (Monash), SF Fin, FCPA, FAIM
Experience	Professor Brailsford is the Vice Chancellor and President of Bond University, appointed from January 2012. Located on the Gold Coast, Bond University is Australia's first independent, private non-profit University. Professor Brailsford's previous appointments include executive, dean and senior management positions at the University of Queensland, Australian National University and the University of Melbourne. He holds PhD, Master and Honours degrees and is a Senior Fellow of the Financial Services Institute of Australasia, Fellow of the Australian Institute of Management and Fellow of CPA Australia. Professor Brailsford has been involved with sport for several decades in various capacities. He has recently served on the Board of the Queensland Rugby Union (Reds Rugby) and carries coaching qualifications in cricket and is a qualified rugby referee. In 2011, he was awarded a Life Member of the Kenmore & Districts Rugby Club

DIRECTORS' REPORT (cont)

Information on Directors (cont)

**Elizabeth Brett
Qualifications**

Director

Executive MBA (2010) Masters in Legal Studies (Continuing)

Experience

Liz currently holds the position of CEO at the University of Technology Sydney (UTS). Liz has been employed by ActivateUTS since July 2006 and in 2012 was appointed to the role of CEO. Liz has a strong belief that ActivateUTS has a critical role in the development of students who are work ready, well rounded global citizens. Through the delivery of co-curricular programs provided by ActivateUTS including sport and recreation; clubs and societies; social and cultural events and health and well-being activities, students enhance key graduate attributes that are highly valued by industry.

Liz also oversees the commercial activities of the organisation including the operation of bars, eateries, fitness centres a licensed NSW Club and the Aerial UTS Function Centre. Having a background in professional sport (2000 Olympian) Liz has enjoyed her time working with the AUS Board and its members.

**Catherine Clark
Qualifications**

Independent Director (Resigned 19 May 2015)

B.A. (Justice Studies) (QUT)

Master of Business Administration (UQ) – commenced MAICD

Experience

Catherine is an experienced Board Director, CEO and Senior Executive with a background in the Australian and New Zealand Government and leadership posts in national and international organisations. She is an accredited AICD Company Director and has worked as a consultant for a range organisations including the International Paralympic Committee. Catherine's knowledge of the sports industry has been garnered from her previous history as an athlete and coach in addition to leading national sport organisations through two Olympic Games, numerous World Championships and Commonwealth Games Campaigns. Most recently she attended the London 2012 Olympic Games in her capacity as CEO of Gymnastics Australia. Catherine is currently the CEO of Netball Queensland. She has a passionate advocate for the significant role that universities can play in supporting active living and high performance sport in Australia.

**Mike Daws
Qualifications**

Director

BSc (Hons), Dip Ed

Experience

Mike is currently the Director of Sport at the University of Adelaide. Mike has been a full time sports administrator for over 30 years, holding senior positions at State and National level in sports development, marketing, facility development and event/team management in Tennis, Basketball, AFL football, University Sport and at the Olympics in Atlanta, Sydney and Athens.

DIRECTORS' REPORT (cont)

Information on Directors (cont)

Martin Doulton
Qualifications

Director

Higher National Diploma in Management / Diploma in Recreation Business Studies - College of St Pauls and St Marys now the University of Gloucester (1983)
Master of Management - Monash University (2005)

Experience

Martin has a wide range of experiences gleaned over 30 plus years of involvement in the sports and leisure industry. He played sport at a professional level and also has the experience of international University sporting representation in two sports. His work experiences have ranged from organising inner city sport in the UK to delivering sports programs across Australia, Oceania, Africa and Asia.

Martin has been a senior manager at Monash University since 2002 and is currently Director of Team MONASH. He has served as the Australian University Sport representative to FISU Oceania (the Continental University Sports Federation) since 2010 and was elected as President FISU Oceania for the 2014-18 term. Since 2011 Martin has also been the FISU Oceania representative on the Executive Committee of FISU the world governing body for university sport and has just been reappointed for the 2015-19 mandate period (term of office).

Adrian Fisher

Director (Appointed 19 May 2015)

Experience

Manager of Sport & Recreation – Murdoch University (MDU).

Adrian has over 20 years of experience in the management and coordination of resources and facilities in the sports management industry and is currently the Manager of Sport and Recreation at Murdoch University.

With significant experience with marketing, promotions and communications with and through digital platforms and being hands on in designing and creating a number of mobile phone apps and websites for Murdoch Sports, Adrian has a demonstrated understanding and applied knowledge of social media.

Don Knapp
Qualifications

Director (Ex-Officio) & CEO of Australian University Sport

BSc, BEd, Teacher's Higher Certificate, GradDipBus

Experience

Don's professional background includes 15 years in education, and 20 years in sports management. After 10 years of secondary teaching experience, Don spent his last 5 years in education as the Senior Curriculum Policy Advisor for Health and Vocational Education K-12 for the WA Ministry of Education.

Leaving education in 1990, Don commenced a career in sports administration. Apart from his own successful international career as an athlete and coach, Don has been the CEO of a National League franchise, a High Performance Manager for 3 Olympic campaigns, and the CEO of two National Sporting Organisations. Career highlights in sport include managing the program for the 2004 Australian Olympic Baseball Team that won a Silver Medal, and induction into the Australia Baseball Hall of Fame in 2008.

Don cites the successful lobbying work aimed at the repeal of Voluntary Student Unionism (VSU) and support of the Higher Education Student Services and Amenities Fee legislation undertaken with friend and colleague, the late Tom O'Sullivan, as the most rewarding experience of his professional career.

DIRECTORS' REPORT (cont)

Information on Directors (cont)

**Brendan Lynch
Qualifications**

Independent Director (Resigned 19 May 2015)

Certificates in Sports Management, Facility Management, Organisational Restructuring and Change Management.
Fellowship with the Institute of Sport Management

Experience

Brendan is a consultant with over 30 years of experience in sport management, specialising in strategic planning, organisational development, change management and workforce planning. He has worked with international, national, state and local sporting organisations as well as conducting major projects for the ASC, Swimming Australia and SOCOG. Brendan has also been an advisor to a number of Olympic, Paralympic, Commonwealth and Asian Games organising committees as well as the IOC's Olympic Games Knowledge Management Service.

**Peter McGrath
Qualifications**

Independent Director (Appointed 19 May 2015)

Associate Diploma in Valuation
Bachelor of Laws LLB
Graduate Diploma in Legal Practice

Experience

Peter is currently a Partner at Griffin Legal. Peter is a Corporate/Sports lawyer and administrator with extensive experience in corporate law especially relating to corporate governance. He has undertaken, in conjunction with specialist consultants, a number of NSO governance projects on behalf of and under instruction from the Australian Sports Commission.

Peter was a Director (1994 - 2005) and Chairman (1999 - 2005) of the ACT & Southern NSW Rugby Union Limited ("Brumbies Rugby"), was elected to the Board of the Australian Rugby Union (ARU) being appointed as Chairman in 2007 – 2012 and also held the role of Chairman of SANZAR, in 2006/2007 and again in 2012 prior to his retirement from Rugby.

Peter was appointed to the Council of the International Rugby Board (iRB) and the Executive Committee of the iRB in 2008. Peter held these positions until his retirement as Chairman of the ARU in 2012, at which point he formally stood down from all positions associated with Rugby.

In 2013 Peter was appointed, by the ACT Government, to the Council of the Canberra Institute of Technology and became Deputy Chairman, again by appointment by the ACT Government, in 2014.

Peter is a Divisional Councillor of the ACT Division of the Australian Institute of Company Directors ("AICD") being appointed in October 2013 and is a Fellow of the AICD. Peter is also a Fellow of the Australian Property Institute ("API")

**Joseph Roff
Qualifications**

Director (resigned February 2015)

Master of Arts in Politics, Politics and Philosophy (Oxford University)
Bachelor of Applied Finance (University of Southern Queensland)
Graduate of the Australian Institute of Company Directors

Experience

Joe is currently the CEO of the University of Canberra Union. In addition to his current role, Joe is a current Board Director of the ACT Brumbies and Marist College Canberra Foundation. Joe was a former consultant in organisational capability working with a range of federal government departments and private sector clients on culture and performance of organisations.

Joe Roff is a retired Australian rugby union footballer who played on the wing or at fullback for the Brumbies and Australia. He played five tests as a centre in the early part of his test career. Of his 86 caps, 62 were won in consecutive games from 1996 to 2001. His final game saw him captain Oxford against Cambridge in the 2007 Varsity Match.

DIRECTORS' REPORT (cont)

Meetings of directors

During the year, seven meetings of directors were held. Attendances by each director were as follows:

Director	Board Meetings	
	Number Eligible to Attend	Number Attended
Deidre Anderson	7	6
Kim Guerin	7	7
Professor Tim Brailsford	7	7
Elizabeth Brett	7	5
Catherine Clark**	4	2
Michael Daws	7	7
Martin Doulton****	7	4
Adrian Fisher***	3	3
Brendan Lynch**	4	3
Peter McGrath***	3	3
Joseph Roff *	0	0

* ceased February 2015

** ceased 19 May 2015

*** appointed 19 May 2015

**** part year leave of absence granted for personal reasons

DIRECTORS' REPORT (cont)

Directors' positions on Board appointed committees

Finance and Risk Management (FARM)

Kim Guerin	Chair & AUS Director
Peter McGrath	AUS Director
Sandie Angus	Independent
Andrew Nairn	Flinders University
Don Knapp	AUS Director (Ex-Officio) & CEO of Australian University Sport
Tony Jermyn	AUS General Manager
Glenys Woolcock	AUS Finance & HR Manager/Secretariat

Sport Strategy Committee (SSC)

Elizabeth Brett	Chair & AUS Director
Martin Doulton	AUS Director & OUSA/FISU representative
Adrian Fisher	AUS Director
Cindy Hoad	Macquarie University
James Nightingale	Victoria University
Garth Townen	Landers & Rogers
Alex Valentine	ASC Representative
Don Knapp	AUS Director (Ex-Officio) & CEO of Australian University Sport
Tony Jermyn	AUS General Manager
Donna Spethman	AUS National Programs Manager

Nominations Committee

Pr. Tim Brailsford	Universities Australia Appointed Director
Paul Bruce	Independent
Don Knapp	AUS Director (Ex-Officio) & CEO of Australian University Sport

Disputes & Disciplinary Committee

Brad Breeding	University of South Australia
Teisha Condie	James Cook University
Sophie Curtis	Queensland University of Technology
Nik Granger	Charles Sturt University
Sarah Harris	The University of Sydney
Vivien Massie	Edith Cowan University
Gary Moore	University of the Sunshine Coast
James Nightingale	Victoria University
Rod Warnecke	The University of Melbourne
Andrew Yapp	The University of Newcastle

Membership Classes

The categories of membership of AUS, (collectively called "members") as outlined in the AUS constitution shall be:

- a) Members as described in rule 8, and
- b) Life members as described in rule 9.

In respect to Clause 8 (8.1 and 8.2) a member must be:

- a) An Australian University; or
- b) An Australian higher education institution which in the opinion of the Board meets criteria specified in the By-Laws for membership under this part of this Rule.

The member will be represented by the designated Delivery Agent for Sport within the member organisation. In this clause Delivery Agent for Sport means the entity of or within the University or higher education institution, recognised by the University or higher education institution as being chiefly responsible for the delivery of sport, regular physical activity and recreational services on campus. A member will notify AUS of its Delivery Agent for Sport and its relevant contact details and persons.

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1.00 each towards meeting any outstanding obligations of the company. At 31 December 2015, the total amount that members of the company are liable to contribute if the company is wound up is \$42 (2014: \$40).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 December 2015 has been received and can be found on the page following this directors' report.

Signed in accordance with a resolution of the Board of Directors.



.....
Director



.....
Director

Date: 02/05/2016

Auditor's Independence Declaration
Under Section 307C of the *Corporations Act 2001*

To the Directors of Australian University Sport Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2015 there have been no contraventions of:

- (i) the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

Robertson.

AM Robertson
Director

Date: 2 May 2016

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DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as attached, are in accordance with the *Corporations Act 2001* and:
 - i. comply with Australian Accounting Standards applicable to the company; and
 - ii. give a true and fair view of the financial position of the company as at 31 December 2015 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors



.....
Director



.....
Director

Date: 02/05/2016

AUSTRALIAN UNIVERSITY SPORT LIMITED
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 \$	2014 \$
Revenue	2	8,434,969	5,053,909
Membership costs		(282,247)	(284,859)
Administration costs		(1,343,441)	(519,794)
Human resource management costs		(2,822,326)	(1,997,102)
Travel costs		(256,849)	(218,815)
Public relations costs		(1,074,015)	(267,196)
Sport costs		(2,520,181)	(1,662,532)
Current year surplus before income tax	3	135,910	103,611
Income tax expense	1	-	-
Net current year surplus		135,910	103,611
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss when specific conditions are met			
- Fair value gains on available for sale financial assets		25,156	23,440
Total other comprehensive income for the year		25,156	23,440
Total comprehensive income for the year		161,066	127,051
Total comprehensive income attributable to members of the entity		161,066	127,051

The accompanying notes form part of these financial statements

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash on hand	4	945,924	514,327
Accounts receivable and other debtors	5	276,420	554,895
Other current assets	9	171,863	526,745
Financial assets	6	263,200	63,200
TOTAL CURRENT ASSETS		1,657,407	1,659,167
NON-CURRENT ASSETS			
Financial assets	6	1,251,206	1,221,050
Plant and equipment	7	47,811	98,284
Intangible assets	8	22,674	55,000
TOTAL NON-CURRENT ASSETS		1,321,691	1,374,334
TOTAL ASSETS		2,979,098	3,033,501
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	10	520,968	127,266
Employee provisions	11	161,182	114,504
Grants received in advance	12	340,000	940,000
Other liabilities	13	88,210	122,568
Borrowings	14	-	21,491
TOTAL CURRENT LIABILITIES		1,110,360	1,325,829
NON-CURRENT LIABILITIES		-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		1,110,360	1,325,829
NET ASSETS		1,868,738	1,707,672
EQUITY			
Retained surplus		617,635	481,725
Reserves	15	1,251,103	1,225,947
TOTAL EQUITY		1,868,738	1,707,672

The accompanying notes form part of these financial statements

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Retained Earnings	Future Program Maintenance Fund Reserve	World University Games Fund Reserve	Financial Asset Revaluation Reserve	Total
2015					
Balance at 1 January 2015	481,725	770,000	400,000	55,947	1,707,672
Comprehensive Income					
Surplus for the year attributable to members of the company	135,910	-	-	-	135,910
Other comprehensive income for the year	-	-	-	25,156	25,156
Total comprehensive income attributable to members of the entity	135,910	-	-	25,156	161,066
Balance at 31 December 2015	617,635	770,000	400,000	81,103	1,868,738
2014					
Balance at 1 January 2014	378,114	770,000	400,000	32,507	1,580,621
Comprehensive Income					
Surplus for the year attributable to members of the company	103,611	-	-	-	103,611
Other comprehensive income for the year	-	-	-	23,440	23,440
Total comprehensive income attributable to members of the entity	103,611	-	-	23,440	127,051
Balance at 31 December 2014	481,725	770,000	400,000	55,947	1,707,672

The accompanying notes form part of these financial statements

AUSTRALIAN UNIVERSITY SPORT LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 \$	2014 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		8,694,264	5,954,600
Payments to suppliers and employees		(8,098,455)	(5,913,761)
Interest received		62,279	103,979
Net cash generated/(used) from operating activities	18	658,088	144,818
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant and equipment		-	(27,008)
Payment for financial assets		(205,000)	-
Net cash generated from investing activities		(205,000)	(27,008)
CASH FLOW FROM FINANCING ACTIVITIES			
Net cash used in financing activities		-	-
Net increase in cash held		453,088	117,810
Cash and cash equivalents at beginning of the financial year		492,836	375,026
Cash and cash equivalents at the end of the financial year	4	945,924	492,836

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Australian University Sport Limited as an individual entity, incorporated and domiciled in Australia. Australian University Sport Limited is a company limited by guarantee.

The financial statements were authorised for issue by the directors of the company as at the date of the directors' declaration.

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Corporations Act 2001*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

• **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. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

• **Plant and Equipment**

Plant and equipment are measured on the cost basis less any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer below for details of impairment).

Depreciation

All assets are depreciated on a straight-line basis over their useful lives to the company commencing from the time that the asset is held ready for use.

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

Class of Fixed Assets	Depreciation Rate
Furniture, Fittings and Equipment	13% straight line
Computer Equipment	13-33% straight line

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Intangibles**

Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life between one and four years and is assessed annually for impairment.

- **Impairment of Assets**

At the end of each reporting period, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value-in-use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the assets are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined and the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

- **Employee Provisions**

Short-term Employee Benefits

Provision is made for the company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as employee provisions in the statement of financial position.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

- **Leases**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

- **Revenue and other income**

Non-reciprocal grant revenue is recognised in the 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 it 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 statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

• **Revenue and other income (cont'd)**

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

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised as it accrues using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Sponsorship, host funding and licence fees are recognised over the period that is specified in the partner agreements.

Annual membership subscriptions are recognised on a proportional basis from the date the membership is accepted and/or renewed, to the year end.

Donations are recognised as revenue when received.

All revenue is stated net of the amount of any applicable GST.

• **Financial Instruments**

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

• **Financial Instruments (cont'd)**

The *effective interest* method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

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. Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

i. *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

ii. *Held to maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

iii *Available for sale financial assets*

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

iv *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Financial Instruments (cont'd)**

Impairment (con't)

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

- **Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables 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.

- **Income Tax**

No provision has been made for income tax as the company is exempt from income tax under Division 50 of the Income Tax Assessment Act.

- **Accounts Receivable and Other Debtors**

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. 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 Payable and Other Payables**

Trade 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Comparative Figures**

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

- **Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key estimates – Impairment

The company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the company that may be indicative of impairment triggers.

No impairment has been recognised for the year ended 31 December 2015.

Key judgements – Provision for impairment of trade receivables and other debtors

The directors review the recoverability of the company's trade receivables and other debtors on a regular basis and raise the necessary provisions if required. The directors are satisfied that trade receivables and other debtors will be realised at their carrying value as at 31 December 2015 within the normal course of business.

- **New Accounting Standards for Application in Future Periods**

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The Company has decided not to early adopt any of the new and amended pronouncements. The Company's assessment of the new and amended pronouncements that are relevant to the Company but applicable in future reporting periods is set out below:

- AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018).

The Standard will be applicable retrospectively and includes revised requirements for the classification, measurement recognition and derecognition requirements for financial instruments.

Although, the directors anticipate that the adoption of AASB 9 may have an impact on the Company's financial instruments, including hedging activity, it is impracticable at this stage to provide a reasonable estimate of such impact.

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
NOTE 2: REVENUE		
Government grants - non-reciprocal	2,731,694	1,057,500
Membership fees	362,192	322,333
Sponsorship and rebates	538,377	149,465
Event registration fees	3,233,523	2,143,980
High performance participant fees	571,980	205,044
Social programs	76,513	60,421
Interest received	62,279	103,979
Tickets and lift passes	286,186	286,168
Host funding and licence fees	108,400	376,657
Other income	195,295	53,017
Uni Sport Awards, AGM and conference	201,379	291,331
Merchandise sales	67,151	4,014
	<u>8,434,969</u>	<u>5,053,909</u>

NOTE 3: NET CURRENT YEAR SURPLUS

Expenses

Depreciation of plant and equipment	50,473	58,815
Amortisation of intangibles	32,326	32,326
	<u>82,799</u>	<u>91,141</u>
Employee benefits expense	<u>2,745,811</u>	<u>1,918,766</u>

NOTE 4: CASH ON HAND

Current

Cash at bank	945,924	514,327
Reconciliation of cash		

Cash and cash equivalents balance as shown in the statement of financial position can be reconciled to that shown in the statement of cash flows as follows:

Cash on hand	945,924	514,327
Bank overdraft (note 14)	-	(21,491)
	<u>945,924</u>	<u>492,836</u>

NOTE 5: ACCOUNTS RECEIVABLE AND OTHER DEBTORS

Current

Accounts receivable	284,349	561,035
Less: Provision for impairment of receivables	(14,169)	(14,169)
	<u>270,180</u>	<u>546,866</u>

Other receivables	6,240	8,029
	<u>276,420</u>	<u>554,895</u>

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
NOTE 6: FINANCIAL ASSETS		
Held-to-maturity investments		
Current		
Funds on deposit	<u>263,200</u>	<u>63,200</u>
Non-Current		
Available for sale financial assets		
Investment portfolio	1,201,206	1,171,050
Held-to-maturity investments		
Funds on deposit	<u>50,000</u>	<u>50,000</u>
	<u>1,251,206</u>	<u>1,221,050</u>
NOTE 7: PLANT AND EQUIPMENT		
Head office computer equipment - at cost	293,463	293,463
Less accumulated depreciation	<u>(250,410)</u>	<u>(204,960)</u>
	<u>43,053</u>	<u>88,503</u>
Head office furniture & equipment - at cost	47,982	47,982
Less accumulated depreciation	<u>(43,224)</u>	<u>(38,201)</u>
	<u>4,758</u>	<u>9,781</u>
Total property, plant and equipment (refer note 19)	<u>47,811</u>	<u>98,284</u>
NOTE 8: INTANGIBLE ASSETS		
National communications database	370,300	370,300
Less accumulated amortisation	<u>(363,507)</u>	<u>(346,287)</u>
	<u>6,793</u>	<u>24,013</u>
Mobile phone app	38,664	38,664
Less accumulated amortisation	<u>(30,657)</u>	<u>(20,991)</u>
	<u>8,007</u>	<u>17,673</u>
Sports Registration System	21,760	21,760
Less accumulated amortisation	<u>(13,886)</u>	<u>(8,446)</u>
	<u>7,874</u>	<u>13,314</u>
Total intangible assets	<u>22,674</u>	<u>55,000</u>
Movement in intangible assets:		
Balance at the beginning of the period	55,000	87,326
Additions	-	-
Amortisation expense	<u>(32,326)</u>	<u>(32,326)</u>
Balance at the end of the period	<u>22,674</u>	<u>55,000</u>

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
NOTE 9: OTHER ASSETS		
Prepaid expenses	<u>171,863</u>	<u>526,745</u>

NOTE 10: ACCOUNTS PAYABLE AND OTHER PAYABLES

Current

Unsecured

Accounts payable and accruals	<u>520,968</u>	<u>127,266</u>
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NOTE 11: EMPLOYEE BENEFITS

Current

Employee benefits is comprised of:

Holiday Leave	81,518	56,492
Long Service Leave	48,419	41,921
Leave On-costs	21,245	16,091
Parental Leave	10,000	-
Total employee benefits	(a) <u>161,182</u>	<u>114,504</u>

(a) AUS Employee Long Service Leave (LSL) is calculated in accordance with the *Qld Industrial Relations Act (1999) Amendment (2001)* .

The LSL entitlement is calculated as being 8.67 weeks leave after 10 years of continuous service, additionally:

- AUS policy is to not record LSL entitlements until after the 5th continuous year of service;
- AUS provides an entitlement to payment for LSL on a pro-rata basis after 7 years of continuous service;
- LSL entitlements may only be taken after 10 continuous years of service.

NOTE 12: GRANTS RECEIVED IN ADVANCE

Current

Government Funding received in advance	340,000	390,000
2015 Australian Masters Games	-	550,000
	<u>340,000</u>	<u>940,000</u>

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
NOTE 13: OTHER LIABILITIES		
Current		
Membership received in advance *	46,500	49,852
Sponsorship received in advance **	25,000	44,455
Other income received in advance ***	16,710	28,261
	<u>88,210</u>	<u>122,568</u>

* Membership fees prepaid by members prior to invoices being sent out in January

** Relates to sponsorship income received in advance for 2016 events

*** Comprises participant contributions, host funding and licence fees received in advance for various 2016 events.

NOTE 14: BORROWINGS

Current

Bank overdraft	<u>-</u>	<u>21,491</u>
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NOTE 15: RESERVES

(a) Future Program Maintenance Fund Reserve

The future program maintenance reserve records funds set aside to support key university sporting needs as the full impact emerges of changed funding for university sport due to the VSU legislation.

(b) World University Games Fund Reserve

The World University Games Fund reserve records funds that have been set aside in support of international representatives.

(c) Financial Asset Revaluation Reserve

The financial asset revaluation reserve records the revaluation of financial assets.

NOTE 16: AUDITORS' REMUNERATION

Remuneration of the auditor of the Company for:

Auditing or reviewing the financial report	18,200	17,700
Other services provided by related practice of the auditor	-	-
	<u>18,200</u>	<u>17,700</u>

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2015 2014
\$ **\$**

NOTE 17: LEASING AND CAPITAL COMMITMENTS

(a) Operating Lease Commitments

Total lease expenditure, representing non-cancellable operating leases, contracted for at balance date but not provided for in the financial statements:

Payable not later than 1 year	28,087	20,447
Payable later than 1, but not later than 5 years	15,383	30,263
Payable later than 5 years	-	-
	43,470	50,710

(b) Capital Expenditure Commitments

The company has no capital expenditure contracted for at balance date.

NOTE 18: CASH FLOW INFORMATION

Reconciliation of Cashflow from Operations with Surplus after Income Tax

Surplus after income tax	135,910	103,611
Non cash flows:		
Depreciation and amortisation	82,799	91,141
Bad debts	-	1,502
Changes in assets and liabilities		
(Increase)/decrease in accounts receivable and other debtors	278,475	(157,683)
Increase/(decrease) in accounts payable and other payables	393,702	(113,796)
(Increase)/decrease in other assets	354,882	(447,940)
Increase/(decrease) in employee benefits	46,678	10,415
Increase/(decrease) in unearned income	(634,358)	657,568
Net cash generated by/(used in) operating activities	658,088	144,818

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

NOTE 19: MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

Movements in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial period:

	Head Office Computer Equipment	Head Office Furniture & Equipment	Total
	\$	\$	\$
2015			
Balance at beginning of the year	88,503	9,781	98,284
Additions	-	-	-
Disposals	-	-	-
Depreciation expense	(45,450)	(5,023)	(50,473)
Balance at end of the year (Note 7)	<u>43,053</u>	<u>4,758</u>	<u>47,811</u>
2014			
Balance at beginning of the year	115,287	14,804	130,091
Additions	27,008	-	27,008
Disposals	-	-	-
Depreciation expense	(53,792)	(5,023)	(58,815)
Balance at end of the period (Note 7)	<u>88,503</u>	<u>9,781</u>	<u>98,284</u>

NOTE 20: MEMBERS' GUARANTEE

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1.00 each towards meeting any outstanding obligations of the company. At 31 December 2015, the total amount that members of the company are liable to contribute if the company is wound up is \$42 (2014: \$40).

NOTE 21: KEY MANAGEMENT PERSONNEL COMPENSATION

With the exception of the ex-officio position of the Chief Executive Officer, the AUS Board of Directors do not receive remuneration for their services.

NOTE 22: RELATED PARTY TRANSACTIONS

There are no related party transactions to be declared.

NOTE 23: COMPANY DETAILS

The company's registered office and principal place of business is:
Suite 1.12, Sports House
Cnr Castlemaine & Caxton Streets
MILTON QLD 4064

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN UNIVERSITY SPORT LIMITED**

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of Australian University Sport Limited (the company) which comprises the statement of financial position as at 31 December 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company 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 *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors 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.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN UNIVERSITY SPORT LIMITED (continued)

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Australian University Sport Limited, as attached to the directors' report, has not changed as at the date of this auditor's report.

Auditor's opinion

In our opinion the financial report of Australian University Sport Limited is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

A handwritten signature in blue ink that reads "Robertson".

AM Robertson
Director

Level 23, 10 Eagle Street,
Brisbane, QLD, 4000

Date: 2 May 2016

AUSTRALIAN UNIVERSITY SPORT LTD

COMPILATION REPORT TO AUSTRALIAN UNIVERSITY SPORT LTD

We have compiled the accompanying special purpose financial statement of Australian University Sport Ltd which comprises the Detailed Statement of Income and Expenditure by Category for the year ended 31 December 2015.

The specific purpose for which this special purpose financial statement has been prepared is set out in Note 1.

The Responsibility of the Directors

The directors are solely responsible for the information contained in the special purpose financial statement, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statement was prepared.

Our Responsibility

On the basis of information provided by the directors, we have compiled the accompanying special purpose financial statement in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315: *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile this financial statement in accordance with the basis of accounting described in Note 1 to the financial statement. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile this financial statement. Accordingly, we do not express an audit opinion or a review conclusion on this financial statement.

The special purpose financial statement was compiled exclusively for the benefit of directors who are responsible for the reliability, accuracy and completeness of the information used to compile it. We do not accept responsibility for the contents of the special purpose financial statement.

Nexia Brisbane Business Advisory Pty Ltd

Nexia Brisbane Business Advisory Pty Ltd

G Sawford

**G Sawford
Director**

Date: 2 May 2016

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
MEMBER SERVICES		
REVENUE		
Government grants/funding/subsidies	50,000	50,000
Sundry income	80,000	163
Membership fees	362,192	-
Sponsorship	7,500	2,500
Uni Sports Awards, AGM and Conference	67,697	60,108
TOTAL INCOME	567,389	112,771
EXPENDITURE		
Administration costs	55,334	32,773
Human resource management	198,473	-
Membership	232,559	254,322
Public relations	5,850	-
Travel	43,882	27,955
TOTAL EXPENDITURE	536,098	315,050
OPERATING SURPLUS/(DEFICIT)	31,291	(202,279)
AUSTRALIAN UNIVERSITY GAMES		
REVENUE		
Investment income	53,462	103,979
Government grants/funding/subsidies	431,694	550,000
Sponsorship	242,020	132,906
Merchandising Income	-	2,218
Membership fees	-	322,333
Registration fees	1,403,871	1,170,707
Partner funding	25,000	273,200
Social programs	18,294	23,391
Tickets and lift passes	216,041	189,227
Sundry income	90,339	52,453
Unisport Awards and conferences	133,682	154,554
TOTAL INCOME	2,614,403	2,974,968
EXPENDITURE		
Administration costs	387,889	254,248
Human resource management	959,647	1,322,583
Membership	1,352	30,000
Other expenses	-	-
Public relations	238,561	178,633
Sport	847,577	951,891
Travel	95,505	124,053
TOTAL EXPENDITURE	2,530,532	2,861,408
OPERATING SURPLUS/(DEFICIT)	83,871	113,560

These statements should be read in conjunction with the attached compilation report of Hayes Knight Business Services (Qld) Pty Ltd

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
EASTERN UNIVERSITY GAMES		
REVENUE		
Sundry income	-	19,000
Government grants/funding/subsidies	70,000	55,000
Host funding & licence fees	33,500	47,500
Registration fees	414,391	429,020
Social programs	8,700	9,200
Merchandising income	-	888
Sponsorship	2,000	3,700
Unisport Awards and conference	-	36,229
TOTAL INCOME	528,591	581,556
EXPENDITURE		
Administration costs	58,164	65,793
Human resource management	247,248	170,519
Membership	-	111
Public relations	38,027	34,180
Sport	133,240	193,003
Travel	19,286	18,573
TOTAL EXPENDITURE	495,965	482,179
OPERATING SURPLUS/(DEFICIT)	32,626	99,377
NORTHERN UNIVERSITY GAMES		
REVENUE		
Government grants/funding/subsidies	-	20,000
Merchandising income	-	175
Partner funding	32,500	29,091
Registration fees	218,404	221,991
Unisport Awards and conferences	-	18,600
Social programs	5,000	5,280
Sponsorship	2,000	-
TOTAL INCOME	257,904	295,137
EXPENDITURE		
Administration costs	29,297	35,317
Human resource management	128,092	100,942
Membership	-	401
Public relations	21,470	12,178
Sport	74,232	98,657
Travel	13,409	12,209
TOTAL EXPENDITURE	266,501	259,704
OPERATING SURPLUS/(DEFICIT)	(8,597)	35,433

These statements should be read in conjunction with the attached compilation report of Hayes Knight Business Services (Qld) Pty Ltd

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
SOUTHERN UNIVERSITY GAMES		
REVENUE		
Partner funding	17,400	19,000
Government grants/funding/subsidies	62,500	57,500
Sponsorship	-	1,750
Registration fees	247,569	244,021
Social programs	9,914	5,000
Merchandising income	-	733
Unisport Awards and conference	-	21,840
TOTAL INCOME	337,383	349,844
EXPENDITURE		
Administration costs	44,429	49,710
Human resource management	128,409	117,472
Membership	5	25
Public relations	27,953	21,388
Sport	99,482	112,379
Travel	16,431	18,230
TOTAL EXPENDITURE	316,708	319,204
OPERATING SURPLUS/(DEFICIT)	20,675	30,640
AUSTRALIAN UNIVERSITY CHAMPIONSHIPS		
REVENUE		
Government grants/funding/subsidies	7,500	-
Host funding and licence fees	-	7,866
Sponsorship	2,000	8,609
Participant Contributions	46,484	24,659
Registration fees	179,895	78,241
Merchandising income	468	-
Social programs	21,255	17,550
Sundry income	-	25
Tickets and lift passes	70,145	96,941
TOTAL INCOME	327,747	233,891
EXPENDITURE		
Administration costs	7,799	21,633
Human resource management	62,656	41,288
Membership	94	-
Public relations	28,367	17,144
Sport	222,669	150,693
Travel	11,989	4,666
TOTAL EXPENDITURE	333,573	235,424
OPERATING SURPLUS/(DEFICIT)	(5,826)	(1,533)

These statements should be read in conjunction with the attached compilation report of Hayes Knight Business Services (Qld) Pty Ltd

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
HIGH PERFORMANCE - WORLD UNIVERSITY SUMMER GAMES		
REVENUE		
Government grants/funding/subsidies	500,000	-
Participant fees	511,883	-
TOTAL INCOME	1,011,883	-
EXPENDITURE		
Administration costs	128,006	-
Human resource management	171,130	-
Membership	824	-
Public relations	7,114	-
Sport	739,463	-
Travel	4,057	-
TOTAL EXPENDITURE	1,050,595	-
OPERATING SURPLUS/(DEFICIT)	(38,712)	-
HIGH PERFORMANCE - WORLD UNIVERSITY WINTER GAMES		
REVENUE		
Government grants/funding/subsidies	20,000	-
Sponsorship & rebates	11,000	-
Participant fees	13,232	-
TOTAL INCOME	44,232	-
EXPENDITURE		
Administration costs	5,968	-
Human resource management	11,475	-
Sport	6,472	-
Travel	600	-
TOTAL EXPENDITURE	24,516	-
OPERATING SURPLUS/(DEFICIT)	19,717	-

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
HIGH PERFORMANCE - WORLD UNIVERSITY CHAMPIONSHIPS		
REVENUE		
Government grants/funding/subsidies	75,000	325,000
Participant Contributions	-	180,385
Sundry income	16,440	357
TOTAL INCOME	91,440	505,742
EXPENDITURE		
Administration costs	9,799	60,320
Human resource management	45,901	244,298
Membership	35,814	-
Public relations	-	3,673
Sport	30,065	155,909
Travel	-	13,129
TOTAL EXPENDITURE	121,579	477,329
OPERATING SURPLUS/(DEFICIT)	(30,139)	28,413
AUSTRALIAN MASTERS GAMES		
REVENUE		
Government grants/funding/subsidies	1,515,000	-
Participant Contributions	381	-
Investment income	8,817	-
Sponsorship & rebates	271,857	-
Merchandise sales	66,683	-
Registration fees	769,393	-
Sundry income	8,516	-
Social programs	13,350	-
TOTAL INCOME	2,653,997	-
EXPENDITURE		
Administration costs	616,754	-
Human resource management	869,297	-
Membership	11,600	-
Public relations	706,673	-
Sport	366,978	-
Travel	51,690	-
TOTAL EXPENDITURE	2,622,992	-
OPERATING SURPLUS/(DEFICIT)	31,005	-
TOTAL SURPLUS/(DEFICIT) FOR THE PERIOD	135,910	103,611