

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

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DIRECTORS' REPORT

Your Directors submit the financial report of the Australian University Sport Limited for the financial year ended 31 December 2013.

Directors

The names of Directors throughout the year and at the date of this report are:

| | |
|----------------------------------------|------------------------------------|
| Ms D Anderson (appointed 16 May 2013) | Ms E Brett |
| Ms C Clark | Mr M Daws |
| Mr M Doulton | Ms K Guerin |
| Mr B Lynch | Mr J Roff (appointed 16 May 2013) |
| Mr R Milbourne (appointed 16 May 2013) | Mr C Oliver (resigned 16 May 2013) |
| Mr R Larkins (resigned 16 May 2013) | |

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 ie: TAFE-sport ... Uni-sport ... Masters-sport.
- 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.
- Develop into a financially self-sufficient organisation.

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.

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 planning and management

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)

Information on Directors

Deidre Anderson
Qualifications

President

Master of Social Science, Psychology and Sports Management
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.

Elizabeth Brett
Qualifications

Director

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

Experience

Liz has been employed by the University of Technology Sydney (UTS) Union since July 2006 and in 2012 was appointed to the role of CEO. Liz has a strong belief that the UTS Union is an integral part of the UTS experience, particularly the co curricular programs provided by the Union including; sport & recreation; clubs and societies; social and cultural events and health and wellbeing activities. Liz also oversees the commercial activities of the organisation including the operation of bars, eateries, fitness centres and the Aerial UTS Function Centre. Having a background in professional sport (2000 Olympian) Liz enjoys creating a positive and collaborative work environment for staff of the UTS Union.

Catherine Clark
Qualifications

Director

B.A. (Justice Studies) (QUT)
Master of Business Administration (UQ) – commenced
MAICD

Experience

Catherine is an experienced CEO, Senior Executive and Board Director. She has worked on a wide variety of projects with international, national, state and community sport organisations. After six years as a Senior Policy Executive with Sport and Recreation New Zealand, Catherine has been the CEO of two National Sports Organisations and has worked as a consultant for a range of organisations including the International Paralympic Committee. Her 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 now the Director of Maverick Edge Consulting and specialises in sport governance, strategy and capability improvement. 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 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

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

Experience

Martin has a wide range of experiences gleaned over 30 plus years of involvement in the sports and leisure industry. He has played sport at a professional level and 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 the Director of Sport at Monash University since 2002 and is currently Australian University Sport's representative to the Oceania University Sport Association (OUSA). He was appointed as OUSA Secretary General in 2011 and also sits as the OUSA Representative on the Executive Committee of FISU the world governing body for University Sport.

Kim Guerin
Qualifications

Director

Ass. Dip. Sports Studies (Griffith)
Grad.Cert. – Business Administration (UQ)
Executive Leadership Coaching Program through Results International

Experience

Kim has recently held the role of CEO for Hockey Queensland and was the Executive Director University of Queensland Sport Ltd for over 10 years. She has over 20 years experience in sports management with specific expertise in venue and program development, financial management and organisational development. In 2009 she was a finalist in the Young Professional category of the Management Excellence Awards by the Australian Institute of Management.

Brendan Lynch
Qualifications

Director

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

Experience

With over 30 years experience in sport management, Brendan is a consultant in the industry 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 Australian Sports Commission (ASC). Brendan has held previous management roles with Swimming Australia and SOCOG and has 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.

Joseph Roff
Qualifications

Director

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 Roff is a retired Australian rugby union footballer who played on the wing or at fullback for the Brumbies and Australia and played 5 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.

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.

DIRECTORS' REPORT (cont)

Information on Directors (cont)

Ross Milbourne

Qualifications

Director

BCom, MCom (UNSW), PhD (Calif), FASSA, FAICD

Experience

Vice-Chancellor and President, University of Technology Sydney

Ross Milbourne received his Bachelors and Masters degrees from the University of NSW, and his PhD from the University of California, Berkeley (supervisor, Nobel laureate George Akerlof). His research interests have been in the general area of macroeconomics and, in particular, the mathematical modelling and statistical testing of macroeconomic theories.

His previous appointments include Deputy Vice-Chancellor (Academic) at UTS, Pro-Vice-Chancellor (Research) at the University of New South Wales, Deputy Vice-Chancellor (Research) at the University of Adelaide and Chair of the Research Grants Committee of the Australian Research Council. Professor Milbourne was Chair of the Australian Technology Network (ATN) from February 2009 to February 2011, and currently a member of the Universities Australia Board.

Meetings of directors

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

| Director | Board Meetings | |
|------------------------|----------------------------------|------------------------|
| | Number Eligible to Attend | Number Attended |
| Deidre Anderson ** | 2 | 2 |
| Elizabeth Brett | 4 | 2 |
| Catherine Clark | 4 | 2 |
| Michael Daws | 4 | 4 |
| Martin Doulton | 4 | 4 |
| Kim Guerin | 4 | 4 |
| Joseph Roff** | 2 | 2 |
| Brendan Lynch | 4 | 4 |
| Ross Milbourne** | 2 | 2 |
| Prof. Richard Larkins* | 2 | 2 |
| Craig Oliver* | 2 | 2 |

* ceased May 2013

** appointed May 2013

Directors' positions on Board appointed committees

Finance and Risk Management (FARM)

Kim Guerin Chair & AUS director

Sport Strategy

Brendan Lynch Chair & AUS director
Elizabeth Brett AUS director
Kim Guerin AUS director
Martin Doulton AUS director

DIRECTORS' REPORT (cont)

Directors' positions on Board appointed committees (cont)

Improving Health Outcomes Committee

| | |
|-----------------|----------------------|
| Martin Doulton | Chair & AUS director |
| Deidre Anderson | AUS President |

Improving Sport Outcomes Committee – ad-hoc

| | |
|-----------------|----------------------|
| Elizabeth Brett | Chair & AUS director |
|-----------------|----------------------|

Membership classes

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

- Members as described in rule 8;
- Life members as described in rule 9; and
- Any other category or categories of membership as determined by the Board.

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

- An Australian University; or
- 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.

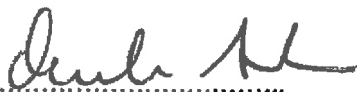
The member will be represented by the designated Delivery Agent for Sport within the member organisation. In this clause Delivery Agent for Sport means the entity of or within the University or higher education institution, recognised by the University or higher education institution as being chiefly 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 2013, the total amount that members of the company are liable to contribute if the company is wound up is \$40 (2012: \$41).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 December 2013 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: 24 April 2014



Hayes Knight
Accountants, Advisors & Auditors

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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 2013 there have been:

- (i) no contraventions to the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Hayes Knight Audit (Qld) Pty Ltd.

Hayes Knight Audit (Qld) Pty Ltd

KJ Robertson
Director

Date: *24* April 2014

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 2013 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: 24 April 2014

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

| | Note | 2013 \$ | 2012 \$ |
|-------------------------------------------------------------------------------------------------|------|--------------------|--------------------|
| Revenue | 2 | 7,980,414 | 3,690,485 |
| Membership costs | | (278,876) | (228,022) |
| Administration costs | | (735,339) | (428,787) |
| Human resource management costs | | (2,815,110) | (1,732,200) |
| Travel costs | | (191,951) | (164,825) |
| Public relations costs | | (812,568) | (267,271) |
| Sport costs | | <u>(2,955,195)</u> | <u>(1,046,554)</u> |
| Surplus/(deficit) before income tax | 3 | 191,375 | (177,174) |
| Income tax expense | 1 | <u>-</u> | <u>-</u> |
| Net surplus/(deficit) for the year | | 191,375 | (177,174) |
| 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 | | <u>44,876</u> | <u>14,511</u> |
| Total other comprehensive income for the year | | 44,876 | 14,511 |
| Total comprehensive income for the year | | 236,251 | (162,663) |
| Total comprehensive income attributable to members of the entity | | 236,251 | (162,663) |

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 2013

| | Note | 2013 \$ | 2012 \$ |
|---------------------------------------|------|------------------|------------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 4 | 375,026 | 153,907 |
| Accounts receivable and other debtors | 5 | 398,714 | 102,101 |
| Other current assets | 9 | 78,805 | 479,526 |
| Financial assets | 6 | 50,000 | 117,000 |
| TOTAL CURRENT ASSETS | | 902,545 | 852,534 |
| NON-CURRENT ASSETS | | | |
| Financial assets | 6 | 1,210,810 | 1,102,273 |
| Plant and equipment | 7 | 130,091 | 187,199 |
| Intangible assets | 8 | 87,326 | 87,770 |
| TOTAL NON-CURRENT ASSETS | | 1,428,227 | 1,377,242 |
| TOTAL ASSETS | | 2,330,772 | 2,229,776 |
| CURRENT LIABILITIES | | | |
| Accounts payable and other payables | 10 | 304,632 | 319,933 |
| Short-term provisions | 11 | 40,519 | 30,029 |
| Grants received in advance | 12 | 405,000 | 380,000 |
| Other liabilities | 13 | - | 155,444 |
| TOTAL CURRENT LIABILITIES | | 750,151 | 885,406 |
| NON-CURRENT LIABILITIES | | - | - |
| TOTAL NON-CURRENT LIABILITIES | | - | - |
| TOTAL LIABILITIES | | 750,151 | 885,406 |
| NET ASSETS | | 1,580,621 | 1,344,370 |
| MEMBERS' FUNDS | | | |
| Retained surplus | | 378,114 | 186,739 |
| Reserves | 14 | 1,202,507 | 1,157,631 |
| TOTAL MEMBERS' FUNDS | | 1,580,621 | 1,344,370 |

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 2013

| | Retained Earnings | Future Program Maintenance Fund Reserve | World University Games Fund Reserve | Financial Asset Revaluation Reserve | Total |
|------------------------------------------------------------------|------------------------------|------------------------------------------------------------|--------------------------------------------------------|--------------------------------------------------------|------------------|
| 2013 | | | | | |
| Balance at 1 January 2013 | 186,739 | 770,000 | 400,000 | (12,369) | 1,344,370 |
| Comprehensive Income | | | | | |
| Surplus attributable to members of the company | 191,375 | - | - | - | 191,375 |
| Other comprehensive income for the year | - | - | - | 44,876 | 44,876 |
| Total comprehensive income attributable to members of the entity | 191,375 | - | - | 44,876 | 236,251 |
| Balance at 31 December 2013 | 378,114 | 770,000 | 400,000 | 32,507 | 1,580,621 |
| 2012 | | | | | |
| Balance at 1 January 2012 | 363,913 | 770,000 | 400,000 | (26,880) | 1,507,033 |
| Comprehensive Income | | | | | |
| Deficit attributable to members of the company | (177,174) | - | - | - | (177,174) |
| Other comprehensive income for the year | - | - | - | 14,511 | 14,511 |
| Total comprehensive income attributable to members of the entity | (177,174) | - | - | 14,511 | (162,663) |
| Balance at 31 December 2012 | 186,739 | 770,000 | 400,000 | (12,369) | 1,344,370 |

The accompanying notes form part of these financial statements

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

| | Note | 2013 | 2012 |
|-------------------------------------------------------------------|-------------|--------------------|------------------|
| | | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts from customers | | 8,155,428 | 4,403,658 |
| Payments to suppliers and employees | | (7,995,237) | (4,726,685) |
| Interest received | | 97,388 | 120,962 |
| Net cash generated/(used) from operating activities | 17 | 257,579 | (202,065) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Payment for plant and equipment | | (7,860) | (142,135) |
| Payment for intangible assets | | (28,600) | (100,704) |
| Payment for financial assets held to maturity | | - | (107,160) |
| Transfer upon maturity of investments to operating funds | | - | 500,000 |
| Net cash generated from investing activities | | (36,460) | 150,001 |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Net cash used in financing activities | | - | - |
| Net increase in cash held | | 221,119 | (52,064) |
| Cash and cash equivalents at beginning of the financial year | | 153,907 | 205,971 |
| Cash and cash equivalents at the end of the financial year | 4 | 375,026 | 153,907 |

The accompanying notes form part of these financial statements

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

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.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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 reports. 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 and cash equivalents**

Cash and cash equivalents 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**

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount 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 which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Plant and Equipment (cont'd)**

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.

- **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. It 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 Entitlements**

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 a part of current trade and other payables in the statement of financial position.

- **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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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 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.

Various government grants have been received to enable AUS to conduct University Games in a number of states in Australia. There are no unfulfilled conditions or contingencies attaching to these grants.

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 the purchase or sale of 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 2013

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 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 each reporting date, the company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether any impairment has arisen. Impairment losses are recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Instruments (cont'd)

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 are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

- **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.

- **Comparative Figures**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **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 of assets and receivables

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. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

No impairment has been recognised for the year ended 31 December 2013.

Key judgements – Provision for impairment of receivables

The directors review the recoverability of the company's trade receivables on a regular basis and raise the necessary provisions if required. The directors are satisfied there are no trade receivables as at balance date that will not be recovered in full in the ordinary course of business.

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

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the company, together with an assessment of the potential impact of such pronouncements on the company when adopted in future periods, are discussed below:

- AASB 9: Financial Instruments (December 2010) and AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

These Standards are mandatorily applicable for annual reporting periods commencing on or after 1 January 2015. The directors are satisfied that the adoption of AASB 9 and AASB 2010–7 will not have a significant impact on the company's financial instruments.

- Interpretation 21: Levies (applicable for annual reporting periods commencing on or after 1 January 2014).

Interpretation 21 clarifies the circumstances under which a liability to pay a levy imposed by a government should be recognised, and whether that liability should be recognised in full at a specific date or progressively over a period of time. This Interpretation is not expected to significantly impact the company's financial statements.

- AASB 2013–3: Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets (applicable for annual reporting periods commencing on or after 1 January 2014).

This Standard amends the disclosure requirements in AASB 136: Impairment of Assets pertaining to the use of fair value in impairment assessment and is not expected to significantly impact the company's financial statements.

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

| | 2013 \$ | 2012 \$ |
|--------------------------------------|------------------|------------------|
| NOTE 2: REVENUE | | |
| Government grants | 2,329,901 | 965,000 |
| Membership fees | 306,984 | 296,796 |
| Sponsorship and rebates | 434,738 | 196,269 |
| Registration fees | 2,794,737 | 1,491,361 |
| Participant fees | 1,098,266 | 202,101 |
| Social programs | 87,555 | 50,692 |
| Interest received | 97,388 | 120,962 |
| Tickets and lift passes | 303,484 | 245,601 |
| Host funding and licence fees | 62,660 | 55,000 |
| Other income | 101,899 | 24,295 |
| Uni Sport Awards, AGM and conference | 302,262 | 41,590 |
| Merchandise sales | 60,540 | 818 |
| | <u>7,980,414</u> | <u>3,690,485</u> |

NOTE 3: NET CURRENT YEAR SURPLUS

Expenses

| | | |
|-------------------------------------|------------------|------------------|
| Depreciation of plant and equipment | 64,968 | 39,060 |
| Amortisation of intangibles | 29,044 | 27,934 |
| | <u>94,012</u> | <u>66,994</u> |
| Employee benefits expense | <u>2,357,467</u> | <u>1,575,207</u> |

NOTE 4: CASH AND CASH EQUIVALENTS

Current

| | | |
|--------------|----------------|----------------|
| Cash at bank | 375,026 | 153,907 |
| | <u>375,026</u> | <u>153,907</u> |

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

| | | |
|---------------------------|----------------|----------------|
| Cash and cash equivalents | 375,026 | 153,907 |
| | <u>375,026</u> | <u>153,907</u> |

NOTE 5: ACCOUNTS RECEIVABLE AND OTHER DEBTORS

Current

| | | |
|-----------------------------------------------|----------------|----------------|
| Trade receivables | 410,429 | 87,117 |
| Less: Provision for impairment of receivables | (20,137) | (25,908) |
| Other receivables | 8,422 | 40,892 |
| | <u>398,714</u> | <u>102,101</u> |

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

| | 2013 \$ | 2012 \$ |
|-----------------------------------------------------|------------------|------------------|
| NOTE 6: FINANCIAL ASSETS | | |
| Held-to-maturity investments | | |
| Current | | |
| Funds on deposit | 50,000 | 117,000 |
| | <u>50,000</u> | <u>117,000</u> |
| Non-Current | | |
| Available for sale financial assets | | |
| Investment portfolio | 1,210,810 | 1,102,273 |
| | <u>1,210,810</u> | <u>1,102,273</u> |
| NOTE 7: PLANT AND EQUIPMENT | | |
| Head office computer equipment - at cost | 266,455 | 258,595 |
| Less accumulated depreciation | <u>(151,168)</u> | <u>(91,223)</u> |
| | <u>115,287</u> | <u>167,372</u> |
| Head office furniture & equipment - at cost | 47,982 | 47,982 |
| Less accumulated depreciation | <u>(33,178)</u> | <u>(28,155)</u> |
| | <u>14,804</u> | <u>19,827</u> |
| Total property, plant and equipment (refer note 18) | <u>130,091</u> | <u>187,199</u> |
| NOTE 8: INTANGIBLE ASSETS | | |
| National communications database | 370,300 | 363,460 |
| Less accumulated amortisation | <u>(329,067)</u> | <u>(312,695)</u> |
| | <u>41,233</u> | <u>50,765</u> |
| Mobile phone app | 38,664 | 38,664 |
| Less accumulated amortisation | <u>(11,325)</u> | <u>(1,659)</u> |
| | <u>27,339</u> | <u>37,005</u> |
| Sports Registration System | 21,760 | - |
| Less accumulated amortisation | <u>(3,006)</u> | <u>-</u> |
| | <u>18,754</u> | <u>-</u> |
| Total intangible assets | <u>87,326</u> | <u>87,770</u> |
| Movement in intangible assets: | | |
| Balance at the beginning of the period | 87,770 | 15,000 |
| Additions | 28,600 | 100,704 |
| Amortisation expense | <u>(29,044)</u> | <u>(27,934)</u> |
| Balance at the end of the period | <u>87,326</u> | <u>87,770</u> |

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

| | 2013 \$ | 2012 \$ |
|-----------------------------------------------|---------------|----------------|
| NOTE 9: OTHER ASSETS | | |
| Prepaid expenses | 78,805 | 61,812 |
| Prepaid costs - Australian Masters Games 2013 | - | 417,714 |
| | <u>78,805</u> | <u>479,526</u> |

NOTE 10: ACCOUNTS PAYABLE AND OTHER PAYABLES

Current

Unsecured

| | | |
|-----------------------------|----------------|----------------|
| Trade payables and accruals | 304,632 | 319,933 |
| | <u>304,632</u> | <u>319,933</u> |

NOTE 11: PROVISIONS

Current

| | | |
|-------------------|---------------|---------------|
| Employee benefits | 40,519 | 30,029 |
| | <u>40,519</u> | <u>30,029</u> |

NOTE 12: GRANT RECEIVED IN ADVANCE

Current

| | | |
|--------------------------------------|----------------|----------------|
| National Funding received in advance | 405,000 | 30,000 |
| Other funding in advance | - | 350,000 |
| | <u>405,000</u> | <u>380,000</u> |

NOTE 13: OTHER LIABILITIES

Current

| | | |
|----------------------------------|----------|----------------|
| Membership received in advance * | - | 20,444 |
| Sponsorship received in advance | - | 127,500 |
| Other income received in advance | - | 7,500 |
| | <u>-</u> | <u>155,444</u> |

* membership invoices were sent out in January 2013 (2012: December 2012)

NOTE 14: 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.

AUSTRALIAN UNIVERSITY SPORT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

| | 2013 \$ | 2012 \$ |
|------------------------------------------------------------|---------------|---------------|
| NOTE 15: AUDITORS' REMUNERATION | | |
| Remuneration of the auditor of the Company for: | | |
| Auditing or reviewing the financial report | 17,200 | 16,500 |
| Other services provided by related practice of the auditor | - | - |
| | <u>17,200</u> | <u>16,500</u> |

NOTE 16: 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 | 32,648 | 41,544 |
| Payable later than 1, but not later than 5 years | 5,016 | 27,426 |
| Payable later than 5 years | - | - |
| | <u>37,664</u> | <u>68,970</u> |

(b) Capital Expenditure Commitments

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

NOTE 17: CASH FLOW INFORMATION

Reconciliation of Cashflow from Operations with Surplus/(Deficit) after Income Tax

| | | |
|-------------------------------------------------------------|----------------|------------------|
| Surplus/(deficit) after income tax | 191,375 | (177,174) |
| Non cash flows: | | |
| Depreciation and amortisation | 94,012 | 66,994 |
| Changes in assets and liabilities | | |
| (Increase)/decrease in trade and other receivables | (296,613) | 322,607 |
| Increase/(decrease) in trade and other payables | (11,962) | (46,265) |
| (Increase)/decrease in other assets | 400,721 | (431,521) |
| Increase/(decrease) in provisions | 10,490 | (34,400) |
| Increase/(decrease) in unearned income | (130,444) | 97,694 |
| Net cash generated by/(used in) operating activities | <u>257,579</u> | <u>(202,065)</u> |

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 18: 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 |
|-------------------------------------|--------------------------------------|-----------------------------------------|----------|
| 2013 | \$ | \$ | \$ |
| Balance at beginning of the year | 167,372 | 19,827 | 187,199 |
| Additions | 7,860 | - | 7,860 |
| Disposals | - | - | - |
| Depreciation expense | (59,945) | (5,023) | (64,968) |
| Balance at end of the year (Note 7) | 115,287 | 14,804 | 130,091 |

| 2012 | | | |
|---------------------------------------|----------|---------|----------|
| Balance at beginning of the year | 59,761 | 24,363 | 84,124 |
| Additions | 141,668 | 467 | 142,135 |
| Disposals | - | - | - |
| Depreciation expense | (34,057) | (5,003) | (39,060) |
| Balance at end of the period (Note 7) | 167,372 | 19,827 | 187,199 |

NOTE 19: MEMBERS' GUARANTEE

The company is incorporated under the Corporations Act 2001 and is an 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 2013, the total amount that members of the company are liable to contribute if the company is wound up is \$40 (2012: \$41).

NOTE 20: 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



Hayes Knight
Accountants, Advisors & Auditors

Hayes Knight Audit (Qld) Pty Ltd
ABN 49 115 261 722
Registered Audit Company 299289
Level 19, 127 Creek Street, Brisbane Qld 4000
GPO Box 1189, Brisbane Qld 4001
T: +61 7 32292022 F: +61 7 32293277
E: email@hayesknighthqld.com.au
www.hayesknight.com.au

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 2013, 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 and have determined that the accounting policies described in Note 1 to the financial report are appropriate to meet the requirements of the *Corporations Act 2001* and 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 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 entity'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.

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

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

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 2013 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; 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.

Hayes Knight Audit (Qld) Pty Ltd.

Hayes Knight Audit (Qld) Pty Ltd



KJ Robertson
Director

Level 19, 127 Creek Street,
Brisbane, QLD, 4000

Date: *24* April 2014



Hayes Knight
Accountants, Advisors & Auditors

Hayes Knight Business Services (Qld) Pty Ltd
ABN 55 010 743 825

Level 19, 127 Creek Street, Brisbane Qld 4000
GPO Box 1189, Brisbane Qld 4001

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AUSTRALIAN UNIVERSITY SPORT LTD

COMPILATION REPORT TO THE MEMBERS OF AUSTRALIAN UNIVERSITY SPORT LTD

We have compiled the accompanying special purpose financial statements of Australian University Sport Ltd, which comprise the Detailed Statements of Income and Expenditure for the financial year ended 31 December 2013. The specific purpose for which the special purpose financial statements have been prepared is to provide financial information to the directors.

The Responsibility of the Directors

The directors of Australian University Sport Ltd are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting adopted is appropriate to meet the needs of the directors for the purpose of complying with the company's constitution.

Our Responsibility

On the basis of information provided by the directors we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting and *APES 315 Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the directors. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Hayes Knight Business Services (Qld) Pty Ltd.

HAYES KNIGHT BUSINESS SERVICES (QLD) PTY LTD

AM Robertson
AM Robertson
Director

Level 19, 127 Creek Street
Brisbane Qld 4000

Date: *24* April 2014

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Liability limited by a scheme approved under Professional Standards Legislation.

Associated Offices : Sydney | Melbourne | Adelaide | Perth | Darwin | Auckland

AUSTRALIAN UNIVERSITY SPORT LIMITED
ACN: 095 463 782

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2013

| | 2013 \$ | 2012 \$ |
|-------------------------------------|------------------|------------------|
| AUSTRALIAN UNIVERSITY GAMES | | |
| REVENUE | | |
| Host funding & licence fees | 29,521 | 50,000 |
| Interest - Bank | 88,006 | 120,962 |
| Government grants/funding/subsidies | 426,568 | 435,000 |
| Sponsorship | 199,553 | 158,477 |
| Merchandising Income | 749 | 509 |
| Membership fees | 306,984 | 296,796 |
| Registration fees | 1,193,075 | 857,794 |
| Social programs | 20,981 | 22,480 |
| Tickets and lift passes | 246,459 | 106,480 |
| Sundry income | 65,333 | 13,295 |
| Unisport Awards and conferences | 205,364 | - |
| TOTAL INCOME | 2,782,593 | 2,061,793 |
| EXPENDITURE | | |
| Administration costs | 181,683 | 221,305 |
| Public relations | 249,687 | 120,398 |
| Membership | 36,916 | 51,064 |
| Sport | 822,834 | 442,759 |
| Travel | 88,397 | 102,046 |
| Human resource management | 1,241,087 | 1,056,607 |
| TOTAL EXPENDITURE | 2,620,604 | 1,994,179 |
| OPERATING SURPLUS/(DEFICIT) | 161,989 | 67,614 |
| EASTERN UNIVERSITY GAMES | | |
| REVENUE | | |
| Government grants/funding/subsidies | 30,000 | 50,000 |
| Host funding & licence fees | 12,500 | - |
| Registration fees | 378,680 | 251,512 |
| Social programs | 8,430 | 3,216 |
| Sponsorship | 1,000 | - |
| Tickets and lift passes | 72 | 21,662 |
| Unisport Awards and conference | 26,542 | - |
| TOTAL INCOME | 457,224 | 326,390 |
| EXPENDITURE | | |
| Administration costs | 54,906 | 40,917 |
| Public relations | 26,194 | 48,770 |
| Membership | 15,000 | 15,000 |
| Sport | 155,376 | 110,349 |
| Travel | 16,460 | 18,885 |
| Human resource management | 158,474 | 139,245 |
| TOTAL EXPENDITURE | 426,410 | 373,166 |
| OPERATING SURPLUS/(DEFICIT) | 30,814 | (46,776) |

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2013

| | 2013 \$ | 2012 \$ |
|-------------------------------------|----------------|-----------------|
| NORTHERN UNIVERSITY GAMES | | |
| REVENUE | | |
| Government grants/funding/subsidies | - | 40,000 |
| Host funding & licence fees | 4,730 | 5,000 |
| Sponsorship | - | 14,792 |
| Registration fees | 202,929 | 131,054 |
| Unisport Awards and conferences | 16,265 | - |
| Social programs | 3,636 | 5,600 |
| Tickets and lift passes | (11) | 16,055 |
| TOTAL INCOME | 227,549 | 212,501 |
| EXPENDITURE | | |
| Administration costs | 24,375 | 25,949 |
| Public relations | 17,783 | 32,150 |
| Membership | 5,000 | 5,000 |
| Sport | 79,252 | 83,797 |
| Travel | 7,278 | 10,626 |
| Human resource management | 84,904 | 76,059 |
| TOTAL EXPENDITURE | 218,592 | 233,581 |
| OPERATING SURPLUS/(DEFICIT) | 8,957 | (21,080) |

| | | |
|-------------------------------------|----------------|-----------------|
| SOUTHERN UNIVERSITY GAMES | | |
| REVENUE | | |
| Government grants/funding/subsidies | 48,636 | 40,000 |
| Sponsorship | 300 | 3,000 |
| Host funding & licence fees | 15,000 | - |
| Registration fees | 229,366 | 162,847 |
| Social programs | 4,200 | 6,000 |
| Tickets and lift passes | 109 | 19,423 |
| Unisport Awards and conference | 16,691 | - |
| TOTAL INCOME | 314,302 | 231,270 |
| EXPENDITURE | | |
| Administration costs | 45,703 | 37,825 |
| Public relations | 20,746 | 29,825 |
| Membership | 10,000 | 10,000 |
| Sport | 100,910 | 89,344 |
| Travel | 14,288 | 15,253 |
| Human resource management | 106,508 | 79,866 |
| TOTAL EXPENDITURE | 298,155 | 262,113 |
| OPERATING SURPLUS/(DEFICIT) | 16,147 | (30,843) |

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2013

| | 2013 \$ | 2012 \$ |
|---------------------------------------|-----------------|------------------|
| NATIONAL FUNDING | | |
| REVENUE | | |
| Government grants/funding/subsidies | 50,000 | 50,000 |
| Sundry income | - | 11,000 |
| Sponsorship | 52,500 | - |
| Uni Sports Awards, AGM and Conference | 37,400 | 41,590 |
| TOTAL INCOME | 139,900 | 102,590 |
| EXPENDITURE | | |
| Administration costs | 16,411 | 27,893 |
| Public relations | - | 1,921 |
| Membership | 172,580 | 119,042 |
| Sport | - | 11,021 |
| Travel | 1,755 | 2,555 |
| Human resource management | - | 217,999 |
| TOTAL EXPENDITURE | 190,746 | 380,431 |
| OPERATING SURPLUS/(DEFICIT) | (50,846) | (277,841) |

HIGH PERFORMANCE PROGRAM WORLD SUMMER GAMES

| | | |
|-------------------------------------|------------------|----------|
| REVENUE | | |
| Government grants/funding/subsidies | 545,000 | - |
| Participant fees | 993,455 | - |
| Sundry income | 1,000 | - |
| TOTAL INCOME | 1,539,455 | - |
| EXPENDITURE | | |
| Administration costs | 105,425 | - |
| Human resource management | 108,000 | - |
| Membership | 10,000 | - |
| Public relations | 25,899 | - |
| Travel | 16,097 | - |
| Sport | 1,265,067 | - |
| TOTAL EXPENDITURE | 1,530,488 | - |
| OPERATING SURPLUS/(DEFICIT) | 8,967 | - |

**DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2013**

| | 2013 \$ | 2012 \$ |
|----------------------------------------------------|---------------|------------|
| HIGH PERFORMANCE PROGRAM WORLD WINTER GAMES | | |
| REVENUE | | |
| Government grants/funding/subsidies | 20,000 | - |
| Sponsorship & rebates | 10,000 | - |
| Participant fees | 62,000 | - |
| TOTAL INCOME | 92,000 | - |
| EXPENDITURE | | |
| Administration costs | 5,359 | - |
| Human resource management | 7,500 | - |
| Sport | 65,557 | - |
| Public relations | 833 | - |
| TOTAL EXPENDITURE | 79,249 | - |
| OPERATING SURPLUS/(DEFICIT) | 12,751 | - |

AUSTRALIAN UNIVERSITY CHAMPIONSHIPS

| | | |
|------------------------------------|----------------|----------------|
| REVENUE | | |
| Host funding and licence fees | 909 | - |
| Sponsorship | 11,975 | 20,000 |
| Participant Contributions | - | 336 |
| Registration fees | 96,697 | 88,153 |
| Merchandising income | 2,491 | 309 |
| Social programs | 24,677 | 13,396 |
| Sundry income | 11 | - |
| Tickets and lift passes | 56,855 | 81,980 |
| TOTAL INCOME | 193,615 | 204,174 |
| EXPENDITURE | | |
| Administration costs | 14,865 | 12,323 |
| Human resource management | 42,116 | 47,423 |
| Membership | 2,500 | 2,700 |
| Sport | 102,815 | 99,397 |
| Travel | 4,338 | 8,498 |
| Public relations | 24,509 | 30,138 |
| TOTAL EXPENDITURE | 191,143 | 200,479 |
| OPERATING SURPLUS/(DEFICIT) | 2,472 | 3,695 |

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2013

| | 2013 \$ | 2012 \$ |
|---------------------------------------------------|-------------------------|-------------------------|
| WORLD UNIVERSITY CHAMPIONSHIPS | | |
| REVENUE | | |
| Government grants/funding/subsidies | - | 350,000 |
| Participant Contributions | <u>42,810</u> | <u>201,765</u> |
| TOTAL INCOME | <u>42,810</u> | <u>551,765</u> |
| EXPENDITURE | | |
| Administration costs | 33 | 62,576 |
| Human resource management | - | 115,000 |
| Membership | - | 25,216 |
| Sport | 42,617 | 209,887 |
| Travel | 36 | 6,961 |
| Public relations | - | 4,068 |
| TOTAL EXPENDITURE | <u>42,686</u> | <u>423,708</u> |
| OPERATING SURPLUS/(DEFICIT) | <u>124</u> | <u>128,057</u> |
| AUSTRALIAN MASTERS GAMES | | |
| REVENUE | | |
| Government grants/funding/subsidies | 1,209,697 | - |
| Investment income | 9,382 | - |
| Sponsorship & rebates | 159,410 | - |
| Merchandise sales | 57,300 | - |
| Registration fees | 693,990 | - |
| Sundry income | 35,555 | - |
| Social programs | <u>25,631</u> | <u>-</u> |
| TOTAL INCOME | <u>2,190,965</u> | <u>-</u> |
| EXPENDITURE | | |
| Administration costs | 286,579 | - |
| Membership | 26,880 | - |
| Public relations | 446,917 | - |
| Sport | 320,767 | - |
| Travel | 43,302 | - |
| Human resource management | <u>1,066,520</u> | <u>-</u> |
| TOTAL EXPENDITURE | <u>2,190,965</u> | <u>-</u> |
| OPERATING SURPLUS/(DEFICIT) | <u>-</u> | <u>-</u> |
| TOTAL SURPLUS/(DEFICIT) FOR THE PERIOD | <u>191,375</u> | <u>(177,174)</u> |