

UNISPORT AUSTRALIA LIMITED
ACN: 095 463 782

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019

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DIRECTORS' REPORT

Your Directors submitted the financial report of UniSport Australia Limited ("UniSport") for the financial year ended 31 December 2019. In order to comply with the provisions of the *Corporations Act 2001*, the directors report is as follows:

Directors

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

Mr D Schmude	Prof. Russell Hoyer
Mrs K Roff (O'Mahony)	Mr C Massey
Mr Peter McGrath	Ms V Massie (<i>resigned Dec 2019</i>)
Dr D Anderson (<i>resigned May 2019</i>)	Mr Paul McJannett (<i>appointed May 2019</i>)
Prof. Tim Brailsford	Ms S Richardson (<i>resigned June 2019</i>)

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.

Review of Operations

The loss of the company for the financial year amounted to \$39,559 (2018: \$593,068). We note that the High-Performance Program World Summer & Winter Games and the Australian Masters Games are held biennially.

Short-term and Long-term Objectives

The company's short-term objectives are to:

- Improve sport outcomes for the university sport sector through: growing and improving the quality of participation in regional and national sport programs and events; and 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 Sports Australia 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 company's long-term objectives 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.

Strategies

To achieve its stated objectives, the company has adopted the following strategies:

- Develop an Advocacy Strategy to ensure universities understand the value of sport and recreation and support its integration within their strategic pillars of recruitment, retention & engagement.
- Build the value of being a member of UniSport.
- Provide a framework for universities to compete through a range of opportunities locally, nationally & internationally.
- Align international sporting opportunities with university aspirations.
- Operate efficiently and responsibly.

DIRECTORS' REPORT (cont.)

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
- UniSport & Sports Australia/Australian Institute of Sport Strategic Partnerships
- UniSport & National Sporting Organisations 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.

Information on Directors

David Schmude Chair Director

Qualifications: Master of International Sport Management (Southern Cross University)

Experience: David has extensive experience in sport management and marketing at a national and regional level. As UNE Life CEO at the University of New England in Armidale, David has a proven track record in extending sport's influence in the community and corporate sector to improve student services and enhance university sport's profile, including forging partnerships with multiple state and regional sport organisations.

David shares UniSport Australia's commitment to foster university sport as a part of university life and represent university students' sporting needs in government decision making. At UNE, David has spearheaded policy initiatives that enhance the place and potential of university sport, especially for regional universities who typically combine an on-campus residential population with externally enrolled students living in various cities and regions.

DIRECTORS REPORT (continued)

Katrina Roff (nee O'Mahony)

Deputy Chair - appointed May 2019
Director

Qualifications: Bachelor of Arts (Hons) English and Philosophy (University of Leeds)

Experience: Katrina has 15 years' experience working in sport, within tertiary, not for profit, and commercial sectors. With over a decade in sports marketing she brings strong commercial, brand and marketing expertise to the board. Katrina has worked with global brands to drive business objectives through sport, leading the delivery of international sponsorships at the Australian Open Tennis, Hong Kong 7's Rugby Union, London 2012 Olympics, and Paralympic World Cup. Katrina's experience spans multiple markets, having cultivated her career in London, Hong Kong and Sydney, bringing with her different cultural perspectives on the value of sport. In her current role as CEO of ANU Sport, located in Canberra, Katrina is responsible for all campus sport and physical activity. Katrina is passionate about sport and believes in its power to deliver social change and build community – particularly within the tertiary education sector. She was a representative netballer and the founder of the Women in Sport group.

Dr. Deidre Anderson

Director – resigned May 2019

Qualifications: PhD - Games People Play - alcohol usage in Team Sport (Macquarie University)
MA - Lifeskill Intervention and Sports Performance (Macquarie University) Published works (Victoria University)
Postgraduate Diploma - Social Science (La Trobe University)
Postgraduate Certificate - Athlete Counselling (Australian Institute of Sport) BA - Sports Management (Victoria University)

Experience: Deidre is currently the Director of the Performance and Transition Institute (PTI). She has been the Deputy Vice-Chancellor, Students and Registrar at Macquarie University in Sydney and has held senior sports executive positions at both an international and national level and her contribution to elite sport has been acknowledged worldwide. She is published widely in the areas of coaching and career transition in sport and has a lifelong commitment to supporting the development of young people.

DIRECTORS REPORT (continued)

Peter McGrath	Deputy Chair (resigned May 2019) Director
Qualifications:	Grad Dip in Legal Practice (Australian National University) LLB (Australian National University) Associate Diploma in Valuation (Sydney Technical College) FAICD FAPI LLB
Experience:	<p>Peter is a highly experienced corporate/sport lawyer and administrator. He's undertaken and collaborated on multiple national sport organisation governance projects for the Australian Sports Commission.</p> <p>Peter's a Government Appointed Director of Canberra Institute of Technology. Formerly, he was the Chair and Director of Rugby Australia, member of the International Rugby Board (iRB) and was a member of the iRB Executive Committee. Peter was a Director and Chair of Brumbies Rugby and was a member and Chair of SANZA which was a Joint Venture between the Australian, New Zealand and South African Rugby Unions. Peter is a Fellow of the Australian Institute of Company Directors and is also a Fellow of the Australian Property Institute.</p>
Prof Tim Brallsford	Director
Qualifications:	Bachelor of Economics (Hons) Master of Economics PhD (Monash) SF Fin, FCPA, FAIM
Experience:	<p>Tim is Vice Chancellor and President of Bond University. Located on the Gold Coast, Bond University is Australia's first independent, private non-profit university. Tim's experience includes academic and administrative positions at Monash University, The University of Queensland, The Australian National University and The University of Melbourne. He holds PhD, Masters 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. Tim is a qualified referee and coach, and has been involved with sport for several decades, particularly cricket and rugby.</p>
Prof Russell Hoye	Director
Qualifications:	Doctor of Philosophy (Griffith University) Master of Public Policy & Management (Monash University) Master of Environmental Studies (The University of Melbourne) Bachelor of Arts (Recreation) (Victoria University of Technology) PhD MPPM MES BA
Experience:	<p>Russell is Dean of Allied Health, Human Services and Sport at La Trobe University and Director of La Trobe Sport. He brings detailed knowledge of community and elite sport from his two-decade long research and consulting background, along with current experience managing La Trobe University relationships with a variety of state and national sport organisations. As Director of La Trobe Sport he's overseen the development and implementation of a university wide strategy for sport and a significant restructure process. His role has oversight of all campus sport experiences, participation opportunities, university clubs, commercial partnerships, elite athlete support, and sport infrastructure, curriculum and research. He is a widely published author and sought-after conference speaker in Australia and internationally.</p>

DIRECTORS REPORT (continued)

Chris Massey Director

Qualifications: Senior Fellow of Higher Education Academy (SFHEA)
Diploma Graduate, Australian Institute of Company Directors
Master of Education (The University of Western Australia)
Master of Business Administration (Edith Cowan University)
Graduate Diploma of Management (Edith Cowan University)
Diploma of Education (The University of Western Australia)
Bachelor of Physical Education (The University of Western Australia)
GAICD MEd MBA BPE

Experience: Chris is an experienced leader with a 28-year career spanning not for profit, government, and commercial organisations. He has held both board and executive roles with commercial accountability for significant budgets across the education (secondary and higher education), health, sport and recreation sector. He is a Director on a number of Boards, including the West Coast Fever Suncorp Super Netball Club and the Collegiate Way International Advisory Committee. His current role at The University of Western Australia involves the responsibility for all student services and support and is part of the senior executive team of the Education portfolio. His role involves the leadership of over 400 staff and several hundred casual employees. He's passionate about the value sport offers in the education sector including participation, volunteering and leadership opportunities and believes that sport is a sound investment from graduate, employer and universities' perspectives. Chris is a Leadership WA Fellow, UWA Football Club Life Member and recipient of a UWA Excellence in Teaching Award.

Vivien Massie Director

Qualifications: Women Leaders in Sport Grant (Australian Sports Commission)
Master of Business Administration (The University of Western Australia)
Bachelor of Science (Exercise and Sports Science) Hons (Edith Cowan University).

Experience: Vivien is passionate about the value sport and wellness can provide to students in their formative years of adulthood. Establishing good habits and great connections at this critical time can help catapult young people into high performing personal and professional endeavours.

Vivien has seen university sport from every angle. In her 10+ years within the university sector Vivien has participated as a student-athlete, team captain, run the Edith Cowan University (ECU) team as University Team Manager, and lead the delivery team of her university's delegation. Vivien has a Master of Business Administration (MBA) from The University of Western Australia and has used her insights to guide sport at ECU through the evolution of management structures whilst ensuring sport's sustainability at ECU.

DIRECTORS REPORT (continued)

Paul McJannett	Director (appointed May 2019)
Qualifications:	Graduate Certificate, Catholic Culture & Leadership Graduate, Australian Institute of Company Directors Graduate Diploma in Property Investment & Finance, Property Council of Australia Business Management Certificate (Australian Institute of Management) Bachelor of Building (Hons 1st) (University of New South Wales) Diploma of Teaching SCAE.
Experience:	Paul has 23 years' experience in the co-curricular Australian Higher Education sector with experience extending across multiple disciplines. Dedicated to his current role as the Director of Student Engagement and Services at the Australian Catholic University, Paul is committed to promoting student equity, access to higher education and engagement through holistic support and programs. This has involved establishing sporting programs, accommodation and medical structures nationally for the Australian Catholic University. Former CEO of the University of Sydney Union, Paul has extensive experience leading and managing change in large and complex organisations. Paul is passionate about sport and has served many years as a volunteer in the sports of surf lifesaving and water polo and is currently a delegate to the Australian Water Polo League and a member of the Executive Committee of the Sydney University Men's Water Polo Club, one of the largest and most successful university sporting clubs in Australia. He recognises the important role UniSport Australia plays in facilitating a rich aspirational sporting pathway.
Sarah Richardson	Director (resigned June 2019)
Qualifications:	Performance Measurement for Effective Not-for-Profit Management (Harvard Kennedy School of Government) Social Enterprise Scholarship (Harvard); Women Leaders Grant (Sport Australia); Corporate Governance Scholarship (AICD) Corporate Governance Diploma (Australian Institute of Company Directors) MBA (Hons) (Marketing/Finance) (University of Chicago Graduate School of Business) BCA (Business/Accounting) & BA (English Literature) (Victoria University of Wellington) FGIA GAICD FAMI MBA (Hons) BCA BA
Experience:	Sarah brings strategic, financial and corporate governance skills from three decades of board and executive experience in not-for-profits, SMEs and multinationals in Australia, France and the US. She has served on 14 education, sport, health, infrastructure and agri-food boards in the last decade (four current) and is Director of her own SME consultancy. Sarah has received multiple awards and is a member of Governance Institute of Australia (Fellow), Australian Institute of Company Directors, Australian Marketing Institute (Fellow, CPM, Awards Head Judge), Australian Fulbright Alumni Association, Victoria University of Wellington Alumni Association (Regional Ambassador) and University of Chicago Alumni Association (Mentor, Perth Alumni Club Founder). She is enjoying combining her passion for the education sector with her communication skills to build awareness and advocacy for university sport within Australia.

DIRECTORS REPORT (continued)

Meetings of directors

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

Director	Board Meetings	
	Number Eligible to Attend	Number Attended
David Schmude	8	7
Katrina Roff (O'Mahony)	8	8
Peter McGrath	8	7
Dr Deidre Anderson *	3	1
Prof. Tim Brailsford	8	5
Prof. Russell Hoyer	8	5
Christopher Massey	8	7
Vivien Massie ***	8	8
Paul McJannett +	5	5
Sarah Richardson **	4	4

* term concluded May 2019

** term concluded June 2019

*** term concluded December 2019

+ appointed May 2019

Board appointed committees including Directors' positions on committees

Note UniSport staff receive standing invitations to participate in and advise committee meetings but possess no voting rights.

Finance, Audit and Risk Management Committee (FARM)

Frank Laezza+	Chair & Independent
Prof. Russell Hoyer*	Chair & UniSport Director
Vivien Massie	UniSport Director
Sandie Angus	Independent
Mark Sinderberry	UniSport Chief Executive Officer
Tony Jermyn	UniSport Chief Operating Officer
Glenys Woolcock **	UniSport Company Secretary & General Manager (Secretariat)

* concluded as Chair & Committee Member September 2019

+ appointed as Chair September 2019

** concluded as General Manager December 2019

Governance & Nominations Committee (GNC)

Katrina Roff +	Chair & UniSport Director
Peter McGrath *	Chair & UniSport Director
Paul Bruce	Independent
Mark Sinderberry	UniSport Chief Executive Officer
Glenys Woolcock	UniSport Company Secretary & General Manager (Secretariat)

* concluded as Chair May 2019

+ appointed as Chair May 2019

** concluded as General Manager December 2019

DIRECTORS REPORT (continued)

Sport Strategy Committee (SSC)

Christopher Massey	Chair & UniSport Director
Deidre Anderson *	UniSport Director
Nat Black	Griffith University
Nic Granger	Charles Sturt University
James Nightingale	Victoria University
Aimee Purcell	University of Technology Sydney
Natalie Broom	UniSport Project Manager - Nationals
Tony Jermyn	UniSport Chief Operating Officer (Secretariat)

** concluded May 2019*

Disputes & Disciplinary Committee - Nationals

Ian Fitzpatrick	The University of Western Australia
Sophie Curtis	Macquarie University
Aimee Purcell	University of Technology Sydney
Andrew Yapp	The University of Newcastle
Lee Emberton	Deakin University
Adin Hewat	The University of Queensland
Donna Spethman	UniSport GM – Member Services (Secretariat)

Membership Classes

The categories of membership of UniSport, (collectively called “**Members**”) as outlined in the constitution shall be:

- a) HE (Higher Education) Members as described in Rule 8.
- b) Life Members as described in Rule 9; and
- c) Any other category or categories of membership as determined by the Board

In respect to Clause 8.1 An HE Member must be:

- d) an 'Australian University' as listed by TEQSA on its national register; or
- e) an 'Australian University of Specialisation' as listed by TEQSA on its national register; or
- f) an Australian higher education institution that has self-accrediting authority and is listed by TEQSA on its national register.

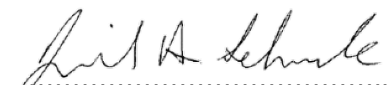
The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$1.00 each towards meeting any outstanding obligations of the company. At 31 December 2019, the total amount that members of the company are liable to contribute if the company is wound up is \$42 (2018: \$42).

DIRECTORS REPORT (continued)

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 December 2019 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

David Schmude
UniSport Board Chair


.....
Director

Katrina Roff
UniSport Deputy Board Chair & GNC Chair

Date: 15/04/2020

To the Directors of Unisport Australia Limited

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

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2019 there have been no contraventions of:

- (i) the auditor 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 P/L

Nexia Brisbane Audit Pty Ltd



Gavin Ruddell
Director

Date: 15 April 2020

Nexia Brisbane Audit Pty Ltd

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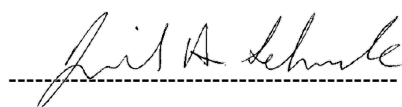
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DIRECTORS DECLARATION

The directors of the company declare that:

1. The financial statements and notes, are in accordance with the *Corporations Act 2001* and:
 - a. comply with the Australian Accounting Standards applicable to the company; and
 - b. give a true and fair view of the financial position of the company as at 31 December 2019 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.



Name: David Schmude
UniSport Board Chair
Director



Name: Katrina Roff
UniSport Deputy Board Chair & GNC Chair
Director

Date: 15/04/2020

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 \$	2018 \$
Revenue	2	7,687,206	3,711,651
Membership costs		(350,325)	(251,064)
Administration costs		(1,084,127)	(409,466)
Human resource management costs		(2,815,983)	(1,987,123)
Travel costs		(247,861)	(208,081)
Public relations costs		(741,759)	(165,812)
Sport costs		(2,486,710)	(1,283,173)
Current year deficit before income tax		(39,559)	(593,068)
Income tax expense	1	-	-
Net current year deficit		(39,559)	(593,068)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met		-	-
Items that will not be reclassified subsequently to profit or loss			
- Fair value (losses)/gains on financial assets at fair value through other comprehensive income		40,412	(18,223)
Total other comprehensive income/(loss) for the year		40,412	(18,223)
Total comprehensive income/(loss) attributable to members of the company		853	(611,291)

UNISPORT AUSTRALIA LIMITED
ACN: 095 463 782

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019	2018
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	583,017	419,826
Accounts receivable and other debtors	5	306,882	406,511
Other assets	9	80,304	665,613
Financial assets	6	125,687	55,000
TOTAL CURRENT ASSETS		1,095,890	1,546,950
NON-CURRENT ASSETS			
Financial assets	6	997,443	1,092,900
Plant and equipment	7	69,631	82,759
Intangible assets	8	41,314	53,814
TOTAL NON-CURRENT ASSETS		1,108,388	1,229,473
TOTAL ASSETS		2,204,278	2,776,423
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	10	329,468	248,474
Employee provisions	11	81,361	136,397
Grants received in advance	12	449,076	1,101,353
Other liabilities	13	55,541	2,220
TOTAL CURRENT LIABILITIES		915,446	1,488,444
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		915,446	1,488,444
NET ASSETS		1,288,832	1,287,979
EQUITY			
Retained surplus		12,473	(497,968)
Reserves	14	1,276,359	1,785,947
TOTAL EQUITY		1,288,832	1,287,979

The accompanying notes form part of these financial statements

UNISPORT AUSTRALIA LIMITED
ACN: 095 463 782

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Retained Surplus	Reinvestment Fund	Student International Representation Support Fund	Operating Reserve	Financial Asset Revaluation Reserve	Total
2019							
Balance at 1 January 2019		(497,968)	650,000	300,000	750,000	85,947	1,287,979
Comprehensive Income							
Deficit for the year attributable to members of the company		(39,559)	-	-	-	-	(39,559)
Transfer to/(from) reserve	14	550,000	(550,000)	-	-	-	-
Other comprehensive income for the year		-	-	-	-	40,412	40,412
Total comprehensive income attributable to members of the company for the year		510,441	(550,000)	-	-	40,412	853
Balance at 31 December 2019		12,473	100,000	300,000	750,000	126,359	1,288,832
2018							
Balance at 1 January 2018		95,100	650,000	300,000	750,000	104,170	1,899,270
Comprehensive Income							
Deficit for the year attributable to members of the company		(593,068)	-	-	-	-	(593,068)
Other comprehensive income for the year		-	-	-	-	(18,223)	(18,223)
Total comprehensive income attributable to members of the company for the year		(593,068)	-	-	-	(18,223)	(611,291)
Balance at 31 December 2018		(497,968)	650,000	300,000	750,000	85,947	1,287,979

The accompanying notes form part of these financial statements

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		7,690,473	4,808,707
Payments to suppliers and employees		(7,633,167)	(5,449,467)
Interest received		62,113	57,535
Net cash generated/(used) from operating activities	17	119,419	(583,225)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for plant and equipment		(21,412)	(53,058)
Payment for intangible assets		-	(36,664)
Proceeds from financial investments		65,184	447,550
Net cash generated from investing activities		43,772	357,828
CASH FLOW FROM FINANCING ACTIVITIES			
Net cash used in financing activities		-	-
Net (decrease)/increase in cash held		163,191	(225,397)
Cash and cash equivalents on hand at beginning of the financial year		419,826	645,223
Cash and cash equivalents on hand at the end of the financial year	4	583,017	419,826

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements cover UniSport Australia Limited ("UniSport") an individual entity, incorporated and domiciled in Australia. UniSport 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.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users 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 company 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. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a) Revenue

Operating grants, Sponsorships and Host funding fees

When the company receives operating grants, sponsorships and host funding fees, it assesses whether the contract or agreement with the respective customer is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both of these conditions are satisfied, the company:

- Identifies each performance obligation relating to the agreement with the customer
- Recognises unearned income for its obligations under the agreement
- Recognises revenue as it satisfies each performance obligation.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the company:

- Recognises the asset received in accordance with the recognition requirements of other applicable accounting standards i.e. AASB 9, and
- Recognises income immediately in profit or loss.
- If a contract liability is recognised as a related amount above, the company recognises income in profit or loss when or as it satisfies its obligations under the agreement.

Interest income

Interest income is recognised using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) **Revenue (continued)**

Merchandise sales, Awards and conference fees, Ticket and lift passes

Revenue from the sale of merchandise, awards and conference fees, tickets and lift passes is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods or service and the cessation of all involvement in those goods or services.

Membership fees

Membership fees are levied annually and recorded as revenue over time to coincide with the membership period. Only those membership fees attributable to the current financial year are recognised as revenue, membership fees relating to periods beyond the current financial year are shown in the Statement of Financial Position as Income received in advance within Current liabilities.

All other revenue is recognised once the company has earned the right to the revenue by satisfying its performance obligations which is usually at a point in time.

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

b) **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.

c) **Plant and Equipment**

Plant and equipment are measured on the cost basis less depreciation and any 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 to j below for further details of impairment).

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time 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	5-50% 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 period.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Plant and Equipment (continued)

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d) Intangibles
Software

Software is recorded at cost. Where software is acquired at no cost, or for a nominal cost, the cost is its fair value as at the date of acquisition. It has a finite life and is carried at cost less accumulated amortisation and any impairment losses. Software has an estimated useful life of between one and four years. It is assessed annually for impairment.

e) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

f) 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 part of accounts payable and other payables in the statement of financial position.

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

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the company 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 (i.e. trade date accounting is adopted). Financial instruments (except for trade receivables) 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. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and Subsequent Measurement

Financial liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period.

The effective interest rate is the internal rate of return of the financial asset or liability. That is, the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability cannot be reclassified.

Financial Assets

Financial assets are subsequently measured at:

- amortised cost; or
- fair value through other comprehensive income.

Measurement is on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The company does not measure any financial assets as fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments (continued)

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the company no longer controls the asset (i.e. it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the financial asset reserve is reclassified to profit or loss.

Impairment

The company recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The company used the following approaches to impairment, as applicable under *AASB 9 Financial Instruments*:

- the general approach

General approach

Under the general approach, at each reporting period, the company assessed whether the financial instruments are credit impaired, and if:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial Instruments (continued)

- There was no significant increase in credit risk since initial recognition, the company measured the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Recognition of expected credit losses in financial statements

At each reporting date, the company recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured at fair value through other comprehensive income are recognised at fair value with changes in fair value recognised in other comprehensive income. The amount in relation to change in credit risk is transferred from other comprehensive income to profit or loss at every reporting period.

h) 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 of disposal 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 company would, if deprived of the asset, replace its remaining future economic benefits, value-in-use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the company 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.

i) 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 (ATO).

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.

j) Income Tax

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k) 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.

l) Deferred Expenses

When expenditure is incurred for a project or event scheduled to take place in another accounting period it is deferred and recognised as an asset on the balance sheet until such time as the project or event subsequently takes place. The deferred expenditure is then recognised in profit or loss once the project or event has occurred.

m) Accounts Payable and Other Payables

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

n) Comparative Figures

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

o) 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

i. Impairment

The company assesses impairment at the end of each reporting period by evaluating 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 2019.

Key Judgements

i. Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

ii. Employee benefits

For the purpose of measurement, AASB 119 - *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Key Judgements (continued)

iii. *Provision for credit losses of accounts and other receivables*

The directors review the recoverability of the company's accounts and other receivables on a regular basis and raise the necessary credit losses if required. The directors are satisfied that accounts and other receivables will be realised at their carrying value as at 31 December 2019 within the normal course of business

p) Economic Dependence

The company is dependent on the Federal and State Government Departments for the majority of its revenue used to operate the business. At the date of this report, the Board of Directors has no reason to believe the agencies will not continue to support the company.

q) New and Amended Accounting Policies Adopted by the Company

Initial application of AASB 16

The directors have considered the application of AASB 16 *Leases* to the company and determined that there is nil impact as the company's leases are all for a period of 12 months or less and therefore do not fall within the scope of AASB 16.

r) New Accounting Standards for Application in Future Periods

The directors have considered new accounting standards for application in future periods and are satisfied that of those standards that are applicable to the company there will be an immaterial impact on the annual financial statements of the company.

UNISPORT AUSTRALIA LIMITED

ACN: 095 463 782

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 \$	2018 \$
NOTE 2: REVENUE		
Revenue from grants	2,758,095	803,572
Revenue from other sources		
Donations received	7,172	-
Event registration fees	2,252,014	1,341,779
High performance participant fees	1,112,209	396,034
Host funding and licence fees	23,195	-
Interest received	62,113	57,535
Membership fees	545,801	522,827
Merchandise sales	26,968	-
Sponsorship and rebates	587,841	277,417
Tickets and lift passes	83,080	111,601
Uni Sport Awards, AGM and conference	131,972	96,597
Other revenue	96,746	104,289
	<u>4,929,111</u>	<u>2,908,079</u>
	<u>7,687,206</u>	<u>3,711,651</u>

NOTE 3: NET CURRENT YEAR DEFICIT

The following items are relevant in explaining the financial performance of the company:

Expenses

Depreciation and amortisation	47,040	38,762
Consultant expenses	312,055	4,393
Employee benefits expense comprised of;		
- Salaries and wages	2,450,501	1,689,197
- Superannuation	219,022	154,348
	<u>2,669,523</u>	<u>1,843,545</u>

NOTE 4: CASH AND CASH EQUIVALENTS**Current**

Cash at bank	<u>583,017</u>	<u>419,826</u>
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	<u>583,017</u>	<u>419,826</u>
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UNISPORT AUSTRALIA LIMITED
ACN: 095 463 782

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2019	2018
\$	\$

NOTE 5: ACCOUNTS RECEIVABLE AND OTHER DEBTORS

Current

Accounts receivable	305,891	408,963
Less: Provision for impairment of receivables	(6,762)	(4,545)
	299,129	404,418

Other receivables	7,753	2,093
	306,882	406,511

NOTE 6: FINANCIAL ASSETS

Financial assets at amortised cost

Current

Funds on deposit	125,687	55,000
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Non-Current

Investments in equity instruments measured at fair value through other comprehensive income

Investment portfolio	997,443	1,017,900
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Financial assets at amortised cost

Funds on deposit	-	75,000
	997,443	1,092,900

NOTE 7: PLANT AND EQUIPMENT

Head office computer equipment - at cost	411,573	392,243
Less accumulated depreciation	(364,550)	(337,350)
	47,023	54,893

Head office furniture & equipment - at cost	60,130	58,048
Less accumulated depreciation	(59,060)	(55,260)
	1,070	2,788

Sports Equipment - at cost	27,224	27,224
Less accumulated depreciation	(5,686)	(2,146)
	21,538	25,078

Total property, plant and equipment (refer note 18)	69,631	82,759
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2019	2018
\$	\$

NOTE 8: INTANGIBLE ASSETS

Company Website - at cost	427,769	427,769
Less accumulated depreciation	(391,353)	(379,853)
	36,416	47,916
Trademarks - at cost	7,864	7,864
Less accumulated amortisation	(2,966)	(1,966)
	4,898	5,898
Total intangible assets	41,314	53,814
Movement in intangible assets:		
Balance at the beginning of the period	53,814	27,686
Additions	-	36,664
Amortisation expense	(12,500)	(10,536)
Balance at the end of the period	41,314	53,814

NOTE 9: OTHER ASSETS

Prepayments and deferred expenditure	80,304	665,613
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NOTE 10: ACCOUNTS PAYABLE AND OTHER PAYABLES

Current

Unsecured

Accounts payable and accruals	329,468	248,474
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NOTE 11: EMPLOYEE BENEFITS

Current

Employee benefits is comprised of:

Holiday Leave	40,429	56,251
Long Service Leave	11,433	19,167
Leave On-costs	29,499	60,979
Total employee benefits	(a) 81,361	136,397

(a) UniSport 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:

- UniSport policy is to not record LSL entitlements until after the 5th continuous year of service;
- UniSport 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 \$	2018 \$
NOTE 12: GRANTS RECEIVED IN ADVANCE		
Current		
Government Funding received in advance	<u>449,076</u>	<u>1,101,353</u>

NOTE 13: OTHER LIABILITIES

Current		
Membership received in advance *	30,541	-
Deposits received in advance **	<u>25,000</u>	<u>2,220</u>
	<u>55,541</u>	<u>2,220</u>

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

** Relates to sponsorship income received in advance.

NOTE 14: RESERVES

(a) Reinvestment Fund

The Future Program Maintenance Reserve was established in December 2006 to maintain UniSport sporting programs into the future. In 2016, the Board renamed this the Reinvestment Fund. The Reinvestment funds may be used for programs, activities or research that will produce significant benefit to members, student participants or the university sport sector.

During the current year, the Board authorised a transfer of \$550,000 from the Reinvestment Fund to the Retained Surplus account.

(b) Student International Representation Support Fund

The World University Games Fund Reserve was established in December 2007, in 2016 the name of this Fund was changed to the Student International Representation Support Fund. The Student International Representation Support Fund reserve records funds that have been set aside in support of international representatives.

(c) Operating Reserve

The Operating Reserve sets aside funds to ensure the stability and ongoing operations of the company in the event of unexpected losses of income, large unbudgeted expenses or uninsured losses.

(d) Financial Asset Revaluation Reserve

The Financial Asset Revaluation Reserve records the revaluation of financial assets.

	2019 \$	2018 \$
NOTE 15: AUDITORS' REMUNERATION		
Remuneration of the auditor of the Company for:		
Auditing or reviewing the financial report	18,800	17,500
Other services provided by related practice of the auditor	<u>-</u>	<u>-</u>
	<u>18,800</u>	<u>17,500</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2019	2018
\$	\$

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	i)	21,128	57,186
Payable later than 1, but not later than 5 years		-	-
Payable later than 5 years		-	-
		21,128	57,186

- i) UniSport currently rents two premises, one which requires one months notice from either the landlord or the tenant in order to vacate and a new lease agreement entered into for the period 1 January 2020 - 31 December 2020.

(b) Capital Expenditure Commitments

The company has no capital expenditure contracted for at balance

NOTE 17: CASH FLOW INFORMATION

Reconciliation of Cashflow from Operations with Deficit after Income Tax

Deficit after income tax	(39,559)	(593,068)
Non cash flows:		
Depreciation and amortisation	47,040	38,762
Bad debts	2,217	(17,076)
Changes in assets and liabilities		
(Increase)/decrease in accounts receivable and other debtors	97,412	(136,346)
Increase/(decrease) in accounts payable and other payables	80,994	(226,052)
(Increase)/decrease in other assets	585,309	(507,431)
Increase/(decrease) in employee benefits	(55,036)	(62,721)
Increase/(decrease) in unearned income and other liabilities	(598,958)	920,707
Net cash generated by/(used in) operating activities	119,419	(583,225)

UNISPORT AUSTRALIA LIMITED**ACN: 095 463 782****+****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019****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
	\$	\$	\$
2019			
Balance at beginning of the year	54,893	27,866	82,759
Additions	19,330	2,082	21,412
Depreciation expense	(27,200)	(7,340)	(34,540)
Balance at end of the year (Note 7)	<u>47,023</u>	<u>22,608</u>	<u>69,631</u>
2018			
Balance at beginning of the year	52,155	5,772	57,927
Additions	25,348	27,710	53,058
Depreciation expense	(22,610)	(5,616)	(28,226)
Balance at end of the period (Note 7)	<u>54,893</u>	<u>27,866</u>	<u>82,759</u>

NOTE 19: 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 2019, the total amount that members of the company are liable to contribute if the company is wound up is \$42 (2018: \$42).

NOTE 20: KEY MANAGEMENT PERSONNEL COMPENSATION

The UniSport Board of Directors do not receive remuneration for their services.

NOTE 21: RELATED PARTY TRANSACTIONS

During the year Unisport engaged Griffin Legal to undertake Intellectual Property registration work. Peter McGrath is a Director of Unisport Australia and a partner of Griffin Legal. The value of services received from Griffin Legal during the year was \$15,778 (2018: \$34,408). At balance date the amount owed to Griffin Legal was \$6,199 (2018: \$831). Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

UNISPORT AUSTRALIA LIMITED

ACN: 095 463 782

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

NOTE 22: SUBSEQUENT EVENTS

- i) On the 1st of February 2020 the company entered into a lease agreement with The Royal Perth Yacht Club, WA. The lease expires on the 30th of November 2020 and may be terminated by the company with 1 months notice.
- ii) Since balance date the Australian Stock Market has witnesses unprecedented movement in the equities being traded. Due in large part to the company's defensive investment strategy the total value of the company's portfolio has decreased approximately 2.40% at the date of this report.
- iii) The company has considered the recent events concerning the impact of COVID-19 on its operations including future revenue streams, suppliers, host venues and participants. While the impact of COVID-19 on the company's operations has been relatively minimal to the date of this financial report, the company is unable to determine the medium to long term impact this is likely to have as it is too early in time to assess with any degree of reliability.

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 UNISPORT AUSTRALIA LIMITED.

Report on the Audit of the Financial Report

Opinion

We have audited the financial report, being a special purpose financial report, of Unisport Australia Limited (the Company), which comprises the statement of financial position as at 31 December 2019, 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, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of Unisport Australia Limited is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Company's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNISPORT AUSTRALIA LIMITED (Continued)

Responsibilities of the Directors 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.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNISPORT AUSTRALIA LIMITED (Continued)

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd



Gavin Ruddell
Director

Level 28, 10 Eagle Street,
Brisbane, QLD, 4000

Date: 15 April 2020

Unisport Australia Limited

Compilation Report to Unisport Australia Limited

We have compiled the accompanying special purpose financial statements of Unisport Australia Limited which comprises the Detailed Statement of Income and Expenditure by Category for the year ended 31 December 2019.

The specific purpose for which this special purpose financial statement has been prepared is to satisfy the information needs of members.

The Responsibility of the Directors of Unisport Australia Limited

The directors of Unisport Australia Limited 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 of Unisport Australia Limited, we have compiled the accompanying special purpose financial statement in accordance with the basis of accounting as described in Note 1 to the financial statement and APES 315: *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. 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 the financial statement. Accordingly, we do not express an audit opinion or a review conclusion on these financial statement.

The special purpose financial statements were compiled exclusively for the benefit of directors of Unisport Australia Limited who are responsible for the reliability, accuracy and completeness of the information used to compile these financial statements. We do not accept responsibility for the contents of these special purpose financial statements.

Nexia Brisbane Business Advisory Pty Ltd

Nexia Brisbane Business Advisory Pty Ltd

G Sawford

**G Sawford
Director**

Date: 15 April 2020

Nexia Brisbane Business Advisory Pty Ltd

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DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	\$	\$
MEMBER SERVICES		
REVENUE		
Government grants/funding/subsidies	367,426	75,000
Sundry income	3,437	21,054
Membership fees	545,801	522,827
Sponsorship	-	16,000
Uni Sports Awards, AGM and Conference	131,972	96,598
TOTAL INCOME	1,048,636	731,479
EXPENDITURE		
Administration costs	24,756	31,393
Human resource management	482,727	406,394
Membership	349,588	231,076
Sport	9,716	13,933
Public relations	5,000	52,653
Travel	56,860	69,768
TOTAL EXPENDITURE	928,647	805,216
OPERATING SURPLUS/(DEFICIT)	119,989	(73,737)
NATIONALS DIVISION 1		
REVENUE		
Investment income	59,036	57,535
Government grants/funding/subsidies	225,259	200,000
Sponsorship	280,667	261,417
Merchandising Income	4,627	-
Registration fees	880,825	843,760
Tickets and lift passes	12,200	21,806
Sundry income	76,610	76,045
TOTAL INCOME	1,539,224	1,460,563
EXPENDITURE		
Administration costs	225,051	230,496
Human resource management	849,492	802,914
Membership	138	291
Public relations	10,099	88,414
Sport	472,635	502,503
Travel	90,784	100,098
TOTAL EXPENDITURE	1,648,199	1,724,716
OPERATING SURPLUS/(DEFICIT)	(108,975)	(264,152)

UNISPORT AUSTRALIA LIMITED
ACN: 095 463 782

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	\$	\$
NATIONALS DIVISION 2		
REVENUE		
Government grants/funding/subsidies	105,000	120,000
Sponsorship	2,000	-
Merchandising Income	3,250	-
Registration fees	387,499	358,832
Tickets and lift passes	9,353	11,622
Sundry income	916	189
TOTAL INCOME	508,018	490,643
EXPENDITURE		
Administration costs	62,275	60,856
Human resource management	341,647	405,830
Public relations	46,750	17,835
Sport	207,962	224,514
Travel	10,971	18,060
TOTAL EXPENDITURE	669,605	727,094
OPERATING SURPLUS/(DEFICIT)	(161,587)	(236,451)

**DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019	2018
	\$	\$
NATIONAL UNIVERSITY CHAMPIONSHIPS		
REVENUE		
Partner funding	23,195	-
Sponsorship	30,000	-
Registration fees	200,117	139,187
Sundry income	2,353	-
Tickets and lift passes	61,527	78,173
TOTAL INCOME	317,192	217,360
EXPENDITURE		
Administration costs	17,224	14,772
Human resource management	-	58,706
Public relations	13,645	17,439
Sport	256,717	234,519
Travel	28,450	11,678
TOTAL EXPENDITURE	316,036	337,114
OPERATING SURPLUS/(DEFICIT)	1,156	(119,754)

HIGH PERFORMANCE - WORLD UNIVERSITY CHAMPIONSHIPS

REVENUE		
Government grants/funding/subsidies	10,000	414,078
Participant Contributions	33,585	396,033
TOTAL INCOME	43,585	810,111
EXPENDITURE		
Administration costs	2,786	71,955
Human resource management	-	311,780
Membership	-	19,698
Public relations	13,200	(10,528)
Sport	21,458	307,702
Travel	-	8,478
TOTAL EXPENDITURE	37,444	709,085
OPERATING SURPLUS/(DEFICIT)	6,141	101,026

DETAILED STATEMENT OF INCOME AND EXPENDITURE BY CATEGORY
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	\$	\$
WORLD SUMMER GAMES		
REVENUE		
Government grants/funding/subsidies	464,822	-
Sponsorship	5,380	-
Participant Contributions	1,080,194	-
Registration fees	200	-
Donations Received	7,172	-
Sundry income	3,247	-
TOTAL INCOME	1,561,015	-
EXPENDITURE		
Administration costs	61,539	-
Human resource management	193,591	-
Public relations	25,510	-
Sport	1,219,105	-
Travel	5,806	-
TOTAL EXPENDITURE	1,505,551	-
OPERATING SURPLUS/(DEFICIT)	55,464	-
AUSTRALIAN MASTERS GAMES		
REVENUE		
Government grants/funding/subsidies	1,585,588	-
Participant Contributions	(1,570)	-
Investment income	3,077	-
Sponsorship & rebates	269,794	-
Merchandise sales	19,091	-
Registration fees	783,373	-
Sundry income	10,183	-
TOTAL INCOME	2,669,536	-
EXPENDITURE		
Administration costs	690,494	-
Human resource management	948,527	-
Membership	599	-
Public relations	627,554	-
Sport	299,118	-
Travel	54,991	-
TOTAL EXPENDITURE	2,621,283	-
OPERATING SURPLUS/(DEFICIT)	48,253	-
TOTAL SURPLUS/(DEFICIT) FOR THE PERIOD	(39,559)	(593,068)