

**AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**SPORT AND RECREATION COUNCIL REPORT**

The members of the Sport and Recreation Council present the financial report of The Australian National University Sport and Recreation Association Incorporated for the financial year ended 31 December 2016.

**SPORT AND RECREATION COUNCIL MEMBERS**

The names of the members who held Sport and Recreation Council office during the financial year and at the date of this report are:

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Elected Executive Members:

Mr Michael Pettersson (to 29 March 2016) Mr David Luchetti (from 29 March 2016) (President)  
Ms Maya Suzuki (to 29 March 2016), Mr Joshua Orchard (from 29 March 2016 to 15 September 2016),  
Ms Jacqueline Williams (from 15 September 2016) (Vice President)  
Mr Neil Parsons (Treasurer)

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Appointed Members:

Mrs Christine Allard (University Council Representative)  
Ms Sarah Ellis (from 29 March 2016 to 15 September 2016), Ms Sally Muradoglu (from 20 October 2016)  
(PARSA representative)  
Mr William Ng (to 1 December 2016), Ms Felicity Brown (from 1 December 2016)  
(ANUSA representative)

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Elected Ordinary Members:

Mr David Barr (from 20 October 2016)  
Mr John Carver  
Ms Annelise Corey (to 29 March 2016)  
Mr Nick Hunter (to 29 March 2016)  
Mr David Luchetti (to 29 March 2016)  
Mr Andrew McPhillips (from 29 March 2016)  
Ms Caity Price (from 29 March 2016 to 1 December 2016)  
Ms Georgia Phillips (to 29 March 2016)  
Ms Maya Suzuki (from 29 March 2016 to 1 December 2016)  
Mr Max Wakefield (from 29 March 2016)  
Ms Jacqueline Williams (from 29 March 2016 to 15 September 2016)

**PRINCIPAL ACTIVITIES**

The principal activities of the association during the financial year were the provision of sport and recreation facilities and services to students and staff of the university, and graduate and associate members of the association.

**SIGNIFICANT CHANGES**

No significant change in the nature of these activities occurred during the year.

**OPERATING RESULT**

The deficit for the year was \$10,506 (2015: surplus: \$193,028)

**AFTER BALANCE DATE EVENTS**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

Signed in accordance with a resolution of the Members of the Sport and Recreation Council.



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DAVID LUCHETTI  
President



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NEIL PARSONS  
Treasurer

Dated: 28 MARCH 2017

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	\$	\$
<b>Revenues</b>		
SSAF Funding	580,000	671,000
Fitness membership	1,455,253	1,378,510
Rental/Hire Income	593,475	557,863
Interest received	57,277	62,716
Membership fees		
Graduate fees	93,978	96,420
Staff fees	35,577	38,800
Associate fees	35,318	31,590
Sport & Recreation program fees	26,033	35,479
Representative teams fees	127,322	84,813
Retail sales	34,757	42,103
Other income	230,901	201,323
	<u>3,269,891</u>	<u>3,200,617</u>
Less : Cost of goods sold	(23,709)	(55,436)
Obsolete Stock	-	(15,847)
	<u>3,246,182</u>	<u>3,129,334</u>
<b>Total Revenue</b>		
<b>Expenses</b>		
Audit	10,000	12,500
Accounting fee	27,350	13,527
Bank charges	24,068	17,900
Cleaning	180,351	232,485
Computer/Printing costs	55,181	49,284
Depreciation and amortisation	367,436	361,046
Electricity/Gas	47,491	46,804
Equipment	20,798	24,364
Fitness Centre expenses	82,924	24,754
Insurance	15,368	17,172
Legal & Professional fee	23,563	19,323
Rates and water	21,063	28,963
Recruitment Costs	17,940	1,381
Sport & Recreation program costs	45,021	27,632
Repairs and maintenance	107,869	93,788
Salaries and superannuation	1,713,852	1,508,625
Sporting clubs and representative teams	411,942	396,420
Stationery and publications	12,090	6,569
Subscriptions	18,124	15,932
Other costs	54,257	37,837
	<u>3,256,688</u>	<u>2,936,306</u>
<b>Total Expenditure</b>		
<b>Surplus/Deficit for the Year</b>	(10,506)	193,028
<b>Other comprehensive income for the year</b>	-	-
<b>Total comprehensive income/loss attributable to members</b>	<u>(10,506)</u>	<u>193,028</u>

The accompanying notes form part of this financial report

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	2	2,738,481	2,465,421
Trade and other receivables	3	132,727	157,352
Inventory		43,592	20,843
Prepayments		<u>25,822</u>	<u>104,399</u>
<b>TOTAL CURRENT ASSETS</b>		<b>2,940,622</b>	<b>2,748,015</b>
<b>NON-CURRENT ASSETS</b>			
Plant and Equipment	4	457,459	422,499
Intangibles	5	<u>3,040,403</u>	<u>3,202,843</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>3,497,862</b>	<b>3,625,342</b>
		<hr/>	<hr/>
<b>TOTAL ASSETS</b>		<b><u>6,438,484</u></b>	<b><u>6,373,357</u></b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	6	144,478	110,300
Provisions	7	<u>130,805</u>	<u>89,350</u>
<b>TOTAL CURRENT LIABILITIES</b>		<b><u>275,283</u></b>	<b><u>199,650</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>199,650</u></b>	<b><u>199,650</u></b>
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b><u>6,163,201</u></b>	<b><u>6,173,707</u></b>
		<hr/>	<hr/>
<b>TOTAL MEMBERS' FUNDS</b>		<b><u>6,163,201</u></b>	<b><u>6,173,707</u></b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 \$	2015 \$
Members' funds at the beginning of financial year	6,173,707	5,980,679
Surplus for year	<u>(10,506)</u>	<u>193,028</u>
<b>MEMBERS' FUNDS AT THE END OF FINANCIAL YEAR</b>	<b><u>6,163,201</u></b>	<b><u>6,173,707</u></b>

The accompanying notes form part of this financial report

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 \$	2015 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from members and customers		2,621,214	2,394,625
Operating grant receipts		580,000	671,000
Receipts from sales		34,757	42,103
Payment to suppliers & employees		(2,785,634)	(2,698,357)
Interest received		62,680	71,846
Net cash provided by/(used in) operating activities:	9	513,017	481,217
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of plant and equipment		(206,957)	(208,001)
Payment for other non current assets		(33,000)	(1,210)
Proceeds from sale of plant and equipment		-	-
Net cash provided by/(used in) investing activities:		(239,957)	(209,211)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Net cash provided by/(used in) financing activities		-	-
Net increase/(decrease) in cash held		273,060	272,006
Cash at beginning of year		2,465,421	2,193,415
<b>Cash at end of year</b>	2	<b>2,738,481</b>	<b>2,465,421</b>

The accompanying notes form part of this financial report

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

The financial statements cover The Australian National University Sport and Recreation Association Incorporated as an individual entity. The Australian National University Sport and Recreation Association Incorporated is an association incorporated in the Australian Capital Territory under the Associations Incorporation Act 1991.

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

**Basis of preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

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

**Accounting Policies**

**(a) Stock**

Stock on hand is valued at the lower of cost and net realisable value.

**(b) Employee Benefits**

Provision is made for the Sport and Recreation Association's liability for employee benefits arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year, together with entitlements arising from wages and salaries and annual leave that will be settled after one year, are measured at their nominal amount. The Sport and Recreation Association adopts an estimation method that has been developed to approximate the present value of the estimated future cash outflows to be made for long service leave entitlements.

Contributions are made by the Sport and Recreation Association to superannuation funds and are charged as expenses when incurred.

**(c) Cash**

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at call deposits with banks or financial institution and investments in money market instruments maturing within less than two months and net of bank overdrafts.

**(d) Income Tax and GST**

The Association is exempt from Income Tax under Division 50 of the Income Tax Assessment Act 1997. The Association is registered for the Goods and Services Tax. Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(e) Fixed Assets**

Fixed assets are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Executive Officer to ensure it is not in excess of the service potential of those assets. As the Sport and Recreation Association is a not-for-profit entity, it is not appropriate to use the recoverable amount as a measure of service potential.

The depreciable amount of all fixed assets including capitalised lease assets is depreciated over their useful lives commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of fixed asset	Depreciation rates	Depreciation basis
Plant and equipment	5 - 33.3 %	Straight Line & Diminishing Value

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

**(f) Critical accounting estimates and judgments**

The Association's management evaluates estimates and judgments incorporated into the financial statements 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 Association.

*Key estimates – Impairment*

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

**(g) Impairment of Assets**

At each reporting date, the Executive Officer 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 expensed to the statement of comprehensive income.

Where the future economic benefits of the asset 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 an assets class, the company estimates the recoverable amount of the cash generating unit to which the class of assets belong.



**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(h) Right of Occupancy**

The cost of contributions to the items listed in note 5 is brought to account as a right of occupancy. This right of occupancy is on a day-to-day basis. The Australian National University has given no assurance as to the tenure of the Sport and Recreation Association's occupancy over the assets listed in the schedule, that are at present under the Sport and Recreation Association's management and control. The Statement of Financial Position figure represents the amounts spent by the Sport and Recreation Association towards the cost of construction and improvements less an amortisation charge calculated on a straight line basis, for most assets but not all, over 40 years.

The University has the legal right to terminate the right of occupancy in full or in part at any time. Should they choose to do this then the Sport and Recreation Association would be unlikely to recover any of the carrying amount of the assets concerned. As a result the Sport and Recreation Association may not be able to continue its current operations.

	2016	2015
	\$	\$

**NOTE 2: CASH**

Cash on hand	300	270
Cash at bank	192,001	131,499
Cash on deposit	2,546,180	2,333,652
	<b>2,738,481</b>	<b>2,465,421</b>

**NOTE 3: TRADE & OTHER RECEIVABLES**

Trade receivables	87,851	48,974
Less: Provision for doubtful debts	(3,355)	(4,232)
	84,496	44,742
Other receivables	8,772	14,175
GST refundable	-	62,235
Unsecured loans receivables	39,459	36,200
Total trade and other receivables	<b>132,727</b>	<b>157,352</b>

Current trade receivables are non-interest bearing loans and are generally receivable within 14 days. A provision for impairment is recognised against subscriptions where there is objective evidence that an individual trade receivable is impaired. Impairment was required at 31 December 2016 of \$3,355 (2015: \$4,232).

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 3: TRADE AND OTHER RECEIVABLES (CONTINUED)**

**Credit risk**

The Association has no significant concentration of credit risk with respect to any single counterparty or group of counterparties other than those receivables specifically provided for and mentioned within Note 3. The main source of credit risk to the entity is considered to relate to the class of assets described as trade receivables.

The following table details the Association's trade receivables exposed to credit risk with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the Association and the member or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the Association.

The balances of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount \$	Past due and impaired \$	Past due but not impaired				Within initial trade terms \$
			Days (overdue)				
			< 30	31-60	61-90	> 90	
<b>2016</b>			\$	\$	\$	\$	
Trade receivables	84,496	(3,355)	25,717	32,214	6,789	23,131	-
Other receivables	8,772	-	-	-	-	-	8,772
<b>Total</b>	<b>93,268</b>	<b>(3,355)</b>	<b>25,717</b>	<b>32,214</b>	<b>6,789</b>	<b>23,131</b>	<b>8,772</b>
<b>2015</b>							
Trade receivables	44,742	(4,232)	16,241	16,375	2,462	13,896	-
Other receivables	76,410	-	-	-	-	-	76,410
<b>Total</b>	<b>121,152</b>	<b>(4,232)</b>	<b>16,241</b>	<b>16,375</b>	<b>2,462</b>	<b>13,896</b>	<b>76,410</b>

The Association does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

*Collateral held as security*

No collateral is held as security for any of the trade and other receivable balances.

*Collateral pledged*

No collateral has been pledged for any of the trade and other receivable balances. The loans receivables have been guaranteed by individual club members in the event of default.

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 4: PLANT AND EQUIPMENT**

	<b>2016</b>	<b>2015</b>
<b>(a) Plant and Equipment</b>	<b>\$</b>	<b>\$</b>
At cost	2,408,562	2,201,606
Less accumulated depreciation	(1,951,103)	(1,779,107)
Total plant and equipment	<b>457,459</b>	<b>422,499</b>

**(b) Movements in carrying amounts**

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

<b>Plant and Equipment</b>		
Balance at the beginning of the year	422,499	380,520
Additions	206,957	208,001
Depreciation expense	(171,997)	(166,022)
Carrying amount at the end of the year	<b>457,459</b>	<b>422,499</b>

**NOTE 5: INTANGIBLE ASSETS**

Right of occupancy	5,960,850	5,959,640
Additions	33,000	1,210
Disposals and write offs	-	-
Less accumulated amortisation	(2,953,447)	(2,758,007)
Net carrying value	<b>3,040,403</b>	<b>3,202,843</b>

**Movements in Carrying Values**

The amounts spent prior to 1991 have not been detailed but include the Sport and Recreation Centre, Boat Shed, Barry Drive Tennis Courts, North Oval (including lights, fencing, irrigation, pavilion, grounds men's sheds and scuba shed), Willows Oval (including lights, irrigation and fencing) and South Oval (including lights, fencing, irrigation, pavilion, grounds men's sheds and cricket practice nets).

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

<b>NOTE 5: INTANGIBLE ASSETS (CONTINUED)</b>	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Pre 1991 Expenditure</b>		
Balance at the beginning of the year	375,967	406,518
Amortisation charge	<u>(30,551)</u>	<u>(30,551)</u>
	<b><u>345,416</u></b>	<b><u>375,967</u></b>
 <b>Boat Shed</b>		
Balance at the beginning of the year	9,500	10,241
Amortisation charge	<u>(741)</u>	<u>(741)</u>
	<b><u>8,759</u></b>	<b><u>9,500</u></b>
 <b>Cricket Nets</b>		
Balance at the beginning of the year	38,050	39,492
Amortisation charge	<u>(1,442)</u>	<u>(1,442)</u>
	<b><u>36,608</u></b>	<b><u>38,050</u></b>
 <b>North Oval</b>		
Balance at the beginning of the year	12,711	13,477
Amortisation charge	<u>(766)</u>	<u>(766)</u>
	<b><u>11,945</u></b>	<b><u>12,711</u></b>
 <b>North Oval Pavilion</b>		
Balance at the beginning of the year	178,179	184,139
Amortisation charge	<u>(5,960)</u>	<u>(5,960)</u>
	<b><u>172,219</u></b>	<b><u>178,179</u></b>
 <b>South Oval</b>		
Balance at the beginning of the year	222,975	230,835
Additions	19,250	
Amortisation charge	<u>(8,222)</u>	<u>(7,860)</u>
	<b><u>234,003</u></b>	<b><u>222,975</u></b>
 <b>Sport &amp; Recreation Centre</b>		
Balance at the beginning of the year	2,096,827	2,185,613
Additions	13,750	1,210
Amortisation charge	<u>(90,050)</u>	<u>(89,996)</u>
	<b><u>2,020,527</u></b>	<b><u>2,096,827</u></b>
 <b>Willows Oval</b>		
Balance at the beginning of the year	268,634	326,342
Additions	-	-
Amortisation charge	<u>(57,708)</u>	<u>(57,708)</u>
	<b><u>210,926</u></b>	<b><u>268,634</u></b>

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 5: INTANGIBLE ASSETS (CONTINUED)**

	Cost	Accumulated Amortisation	Net Carrying Value
	\$	\$	\$
Capital Expenditure pre 1991	1,222,032	876,616	345,416
Boat Shed	11,766	3,007	8,759
Cricket Nets	50,000	13,392	36,608
North Oval	30,640	18,695	11,945
North Oval Pavilion	238,385	66,166	172,219
South Oval	333,670	99,667	234,003
Sports and Recreation Centre	3,496,900	1,476,373	2,020,527
Willows Oval	610,457	399,531	210,926
	<u>5,993,850</u>	<u>2,953,447</u>	<u>3,040,403</u>

**NOTE 6: TRADE AND OTHER PAYABLES**

	2016	2015
	\$	\$
Trade and other payables	96,813	80,761
GST Payable	2,839	-
Accrued expenses	44,826	29,539
	<u>144,478</u>	<u>110,300</u>

**NOTE 7: PROVISIONS**

Provision for annual leave	91,664	63,157
Provision for long service leave	39,141	26,193
	<u>130,805</u>	<u>89,350</u>

**NOTE 8: SEGMENT REPORTING**

The Sport and Recreation Association provides sport and recreation facilities and services to students and staff of the Australian National University, and graduate and associate members of the Association within the Australian Capital Territory.

**NOTE 9: CASH FLOW INFORMATION**

Reconciliation of cash flows from operating activities to surplus

Surplus/(Deficit)	(10,506)	193,028
Non-cash flows in surplus/(deficit)		
Amortisation of right of occupancy	195,440	195,024
Depreciation	171,997	166,022
Impairment on intangibles	-	-
Gain (Loss) on sale of equipment	-	-
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	24,625	(23,584)
(Increase)/decrease in prepayments	78,577	(53,468)
(Increase)/decrease in stock on hand	(22,749)	5,039
Increase/(decrease) in provisions	41,455	21,597
Increase/(decrease) in trade payables & accruals	34,178	(22,441)
Net cash provided by/(used in) operating activities	<u>513,017</u>	<u>481,217</u>

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 10: FINANCIAL RISK MANAGEMENT**

The Association's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivables and payables. The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
<b>Financial assets</b>		
Cash and cash equivalents	2,738,481	2,465,421
Trade and other receivables	132,727	157,352
<b>Total</b>	<b>2,871,208</b>	<b>2,622,773</b>
<b>Financial liabilities</b>		
Trade and other payables	144,478	110,300
<b>Total</b>	<b>144,478</b>	<b>110,300</b>

**Financial risk management policies**

The Association's risk management strategy seeks to assist the Association in meeting its financial targets whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the directors on a regular basis. These include credit risk policies and future cash flow requirements.

**Specific financial risk exposures and management**

The main risks the Association is exposed to through its financial instruments are credit risk, liquidity risk and market risk relating to interest rate risk.

(a) Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss for the company.

Credit risk is managed through the maintenance of procedures ensuring to the extent possible, that customers and counterparties to transactions are of sound credit worthiness.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating.

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 10: FINANCIAL RISK MANAGEMENT (CONTINUED)**

*Credit risk exposures*

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

There is no collateral held by the company securing trade and other receivables

Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. The Association has no significant concentration of credit risk exposure to any single counterparty or group of counterparties.

(b) Liquidity risk

Liquidity risk arises from the possibility that the Association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Association manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 10: FINANCIAL RISK MANAGEMENT (CONTINUED)**

(b) Liquidity risk (continued) - The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Cash flows realised from financial assets reflect the Association's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

<b>2016</b>	Within 1 year \$	1 to 5 years \$	Over 5 years \$	Total contractual cash flow \$
<i>Financial liabilities due for payment</i>				
Trade and other payables	144,478	-	-	144,478
<b>Total expected outflows</b>	<b>144,478</b>	-	-	<b>144,478</b>
<i>Financial assets - cash flows realisable</i>				
Cash and cash equivalents	2,738,481	-	-	2,738,481
Trade and other receivables	132,727	-	-	132,727
<b>Total anticipated inflows</b>	<b>2,871,208</b>	-	-	<b>2,871,208</b>
<b>Net (outflow)/inflow on financial instruments</b>	<b>2,726,730</b>	-	-	<b>2,726,730</b>
<b>2015</b>	Within 1 year \$	1 to 5 years \$	Over 5 years \$	Total contractual cash flow \$
<i>Financial liabilities due for payment</i>				
Trade and other payables	110,300	-	-	110,300
<b>Total expected outflows</b>	<b>110,300</b>	-	-	<b>110,300</b>
<i>Financial assets - cash flows realisable</i>				
Cash and cash equivalents	2,465,421	-	-	2,465,421
Trade and other receivables	157,352	-	-	157,352
<b>Total anticipated inflows</b>	<b>2,622,773</b>	-	-	<b>2,622,773</b>
<b>Net (outflow)/inflow on financial instruments</b>	<b>2,512,473</b>	-	-	<b>2,512,473</b>



**THE AUSTRALIAN NATIONAL UNIVERSITY  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 10: FINANCIAL RISK MANAGEMENT (CONTINUED)**

(c) Market risk

*Interest rate risk*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

*Sensitivity analysis*

The following table illustrates sensitivities to the Association's exposure to changes in interest rates. The table indicates the impact on how the surplus or loss reported at the end of the reporting period would have been affected by changes in the relevant risk variable that the directors consider to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	<b>2016</b>	<b>2015</b>
Surplus		
+/- 2% in interest rates	+/- 54,800	+/- 49,300
Equity		
+/- 2% in interest rates	+/- 54,800	+/- 49,300

**Net fair values**

*Fair value estimation*

The fair values of the financial assets and financial liabilities approximate their carrying values as presented in the statement of financial position and in the notes to the financial statements. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the Association. Most of these instruments which are carried at amortised cost are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the Association.

The fair values of financial assets and financial liabilities as disclosed in the statement of financial position and in the notes to the financial statements have been determined based on the following methodologies: Cash and cash equivalents, trade and other receivables and trade and other payables are short-term instruments in nature whose carrying value is equivalent to fair value. Trade and other payables exclude amounts provided for annual leave and income in advance, which are not considered financial instruments.

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOTE 11: KEY MANAGEMENT PERSONAL COMPENSATION**

	<b>2016</b>	<b>2015</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits (i)	273,151	258,018
Long term employment benefits (i)	<u>6,901</u>	<u>6,234</u>
<b>Total</b>	<b><u>280,052</u></b>	<b><u>264,252</u></b>

(i) Included are data relating to the Executive Officer, General Manager and Operations Manager.

**NOTE 12: RELATED PARTY TRANSACTIONS**

There are no related party transactions between the organization and committee member.

**NOTE 13: CONTINGENT LIABILITIES**

There are no known contingent liabilities at the date of this report that should be brought to account.

**NOTE 14: EVENTS AFTER BALANCE DATE**

There are no known events after balance sheet date at the date of this report that should be brought to account

**NOTE 15: ASSOCIATION DETAILS**

The principal place of business of the Association is:

The Australian National University Sport and Recreation Association Incorporated  
Building 19  
North Road  
ANU  
ACTON ACT 0200

**THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**STATEMENT BY MEMBERS OF THE SPORT AND RECREATION COUNCIL**

In the opinion of the Sport and Recreation Council the financial report as set out on pages 2 to 16:

1. Presents a true and fair view of the financial position of The Australian National University Sport and Recreation Association Incorporated as at 31 December 2016 and its performance for the year ended on that date in accordance with the Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that The Australian National University Sport and Recreation Association Incorporated will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Sport and Recreation Council and is signed for and on behalf of the Sport and Recreation Council by:



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Mr David Luchetti



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Mr Neil Parsons

Dated: 28 MARCH 2017

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF  
THE AUSTRALIAN NATIONAL UNIVERSITY  
SPORT AND RECREATION ASSOCIATION INCORPORATED**

**Report on the Financial Report**

We have audited the accompanying financial report The Australian National University Sport and Recreation Association Incorporated, which comprises the statement of financial position as at 31 December 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the statement by members of the Council.

***Council's Responsibility for the Financial Report***

The Council Members of the Association are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (ACT) 1991 and for such internal control as the Council Members determine is necessary to enable the preparation of the 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 conducted our audit in accordance with Australian Auditing Standards. These Auditing 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 and fair presentation of the financial report 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 Council, 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.

***Independence***

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

**Auditor's Opinion**

In our opinion the financial report of The Australian National University Sport and Recreation Association Incorporated is in accordance with the Associations Incorporation Act (ACT) 1991 including:

- i. giving a true and fair view of the Association's financial position as at 31 December 2016 and of its performance and its cash flows for the year ended on that date; and
- ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act (ACT) 1991.

PKF Di Bartolo Diamond & Mihailaros



Ross Di Bartolo  
Partner

Dated: 28 March 2017

**AUDITOR'S INDEPENDENCE DECLARATION**  
**TO THE COUNCIL MEMBERS OF**  
**THE AUSTRALIAN NATIONAL UNIVERSITY**  
**SPORT AND RECREATION ASSOCIATION INCORPORATED**

We declare that, to the best of our knowledge and belief, during the year ended 31 December 2016 there have been:

- no contraventions of the auditor independence requirements in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

PKF Di Bartolo Diamond & Mihailaros



Ross Di Bartolo  
Partner

Dated: 28 March 2017