

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INCORPORATED

FINANCIAL REPORT FOR THE YEAR ENDED

31 December 2015

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Solicitors:	King & Wood Mallesons Level 5, NICTA Building B 7 London Circuit Canberra ACT 2600
Bankers:	National Australia Bank Level 4, 14 Childers Street Canberra ACT 2600 Commonwealth Bank of Australia Concession Building, University Avenue Canberra ACT 2601
Auditors:	RSM Canberra ACT 2601

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

Declaration by the Chair and Deputy Chair of the Board

In accordance with a resolution of the directors of the Australian National University Union Inc. We state that:

In the opinion of the directors:

- (a) the financial statements and notes of the Australian National University Union Inc. for the year ended 31 December 2015 are in accordance with the *Associations Incorporations Act 1991 (ACT)*, including:
- (i) presenting fairly the financial position as at 31 December 2014 and financial performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements;
- (b) there are reasonable grounds to believe the Union will be able to pay its debts as and when they become due and payable.

On behalf of the Board

JOSHUA BOLITHO
Chair of the Board



JILLIAN MOLLOY
Deputy Chair of the Board



GANBERRA
22nd March 2016





RSM Australia Pty Ltd

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
THE AUSTRALIAN NATIONAL UNIVERSITY UNION INCORPORATED

We have audited the accompanying financial report of the Australian National University Union Incorporated (the Union), which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and directors declaration.

Directors Responsibility for the Financial Report

The directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements* that the financial statements comply with *International Financial Reporting Standards*.

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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about 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 judgement, 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 directors, as well as evaluating the overall presentation of the financial report.

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

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RSM Australia Pty Ltd ACN 009 321 377 at Birdanco Practice Trust ABN 65 319 382 479 trading as RSM

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Independence

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

Opinion

In our opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of the Union as at 31 December 2015 and its financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards and
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

RSM AUSTRALIA PTY LTD

A handwritten signature in black ink, appearing to read "Ged Stenhouse".

GED STENHOUSE
Director

Canberra, ACT
Dated: 22 March 2016

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

STATEMENT OF COMPREHENSIVE INCOME
FOR YEAR ENDED 31 December 2016

	Note	2015 \$	2014 \$
Revenue	<u>4 (a)</u>	4,019,060	4,380,217
Cost of sales	<u>4 (b)</u>	(1,555,881)	(1,831,948)
Depreciation and amortisation expense	<u>4 (b)</u>	(240,465)	(340,448)
Salaries and employee benefits expense	<u>4 (b)</u>	(1,644,871)	(1,730,547)
Other expenses	<u>4 (c)</u>	<u>(909,296)</u>	<u>(915,209)</u>
Net (deficit) attributable to members of The Australian National University Union Inc.		<u>(331,453)</u>	<u>(437,934)</u>
Other comprehensive income		-	-
Net (deficit) attributable to members of The Australian National University Union Inc.		<u>(331,463)</u>	<u>(437,934)</u>

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

STATEMENT OF FINANCIAL POSITION
AS AT 31 December 2015

	Note	2015 \$	2014 \$
EQUITY			
Accumulated funds		1,796,004	2,127,457
Clubs & societies reserve	2	-	216
TOTAL EQUITY		<u>1,796,004</u>	<u>2,127,672</u>
Represented by:			
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	164,781	576,324
Trade and other receivables	5	279,056	388,056
Inventories	6	202,316	144,824
Prepayments	7	62,467	9,165
Held-to-maturity investments	8	1,100,000	908,768
TOTAL CURRENT ASSETS		<u>1,808,619</u>	<u>2,007,137</u>
NON CURRENT ASSETS			
Property, plant and equipment	9	581,246	787,895
TOTAL NON CURRENT ASSETS		<u>581,246</u>	<u>787,895</u>
TOTAL ASSETS		<u>2,389,865</u>	<u>2,795,032</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	289,694	391,623
Employee Benefits	11	137,413	127,076
Deferred Income	12	173,181	136,885
TOTAL CURRENT LIABILITIES		<u>580,288</u>	<u>655,583</u>
NON CURRENT LIABILITIES			
Employee Benefits	11	13,573	11,777
Deferred Income		-	-
TOTAL NON CURRENT LIABILITIES		<u>13,573</u>	<u>11,777</u>
TOTAL LIABILITIES		<u>593,861</u>	<u>667,360</u>
NET ASSETS		<u>1,796,004</u>	<u>2,127,672</u>

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

STATEMENT OF CASH FLOWS
FOR YEAR ENDED 31 December 2015

	Note	2015 \$	2014 \$
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES			
Receipts from customers		3,305,549	3,195,231
Interest received		39,760	48,138
Sponsorship received		30,060	32,193
Rent received		659,926	708,152
Other Income received		86,616	75,000
Net Goods and Services tax paid		(194,357)	(200,540)
Payments to suppliers and employees		<u>(4,136,495)</u>	<u>(4,119,252)</u>
NET CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES		<u>(208,941)</u>	<u>(263,078)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		22,445	18,774
Purchase of property, plant and equipment		(33,815)	(39,520)
Proceeds from sale of held to maturity investments		(191,232)	-
Purchase of held to maturity investments		<u>-</u>	<u>(308,768)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		<u>(202,602)</u>	<u>(329,514)</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(411,543)	(592,592)
Cash and cash equivalents at beginning of period		<u>576,324</u>	<u>1,168,916</u>
Cash and cash equivalents at end of period	3	<u><u>164,781</u></u>	<u><u>576,324</u></u>

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 31 December 2015

	\$	\$	\$
	Clubs & Societies Reserve (Note 5 (b))	Accumulated Funds (Note 5 (a))	Total Equity
At 1 January 2014	640	2,565,391	2,566,031
Clubs & Societies Reserve net distribution	(425)	-	(425)
Deficit for the year	-	(437,934)	(437,934)
At 31 December 2014	215	2,127,457	2,127,672
Clubs & Societies Reserve net distribution	(215)	-	(215)
Deficit for the year	-	(331,453)	(331,453)
At 31 December 2015	<u>0</u>	<u>1,796,004</u>	<u>1,796,004</u>

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

NOTE 1: CORPORATE INFORMATION

The financial report of the Australian National University Union ("the Union") for the year ended 31 December 2015 was authorised for issue in accordance with a resolution of the board on 22 March 2016.

The Union was incorporated in Australia as an association under section 9 of the *Associations Incorporation Act 1991 (Australian Capital Territory)*.
The Union is domiciled in Australia and is a not-for-profit organisation for the purpose of preparing the financial report.

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of Australian Accounting Standards - Reduced Disclosure and the Union's constitution.

The financial report has been prepared in accordance with historical cost basis except for artwork that has been measured at fair value.

The financial report is presented in Australian dollars.

(b) Statement of Compliance

The Union is a non-profit, private sector entity which is not publicly accountable. Therefore the financial statements for the Union are tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB-RDRs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB).

(c) New and Amended Accounting Standards and Interpretations

Certain Australian Accounting Standards and Australian Accounting Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Union for the annual reporting period ended 31 December 2015 except for the adoption of AASB 1053 and AASB 2010-2 which allowed the Union to remove a number of disclosures. The Board and management have assessed that the impact of these new or amended standards will not be significant to the Union.

(d) Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

(e) Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value with the exception of artwork which is recorded at fair value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

Plant and equipment	3-20 years
Fixtures and fittings	3-20 years
Motor vehicles	5 years
Leasehold improvements	10-40 years

Impairment losses are recognised in the statement of comprehensive income.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year the item is recognised.

The carrying value of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount of those assets.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition form the cost value of this inventory.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(g) Taxes

Income tax

The Union has not provided for income tax as the Union is exempt from income tax under section 50 of the *Income Tax Assessment Act 1997*.

Other Taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(h) Clubs and societies reserve

A reserve has been established to provide for the advancement of Clubs & Societies. To meet the requirement of the Union's constitution, the transfer to the reserve is calculated at 2.5% of the annual General Service Fee received from the Australian National University.

General Service Fee has been discontinued since 2007 and the remaining balance is being distributed based on approved submissions.

Distributions to Clubs & Societies in the form of goods and services are debited directly from the reserve.

In accordance with section 9(2)(e) of the Union's Constitution, \$215 (2014: \$425) has been distributed directly from the reserve for the advancement of clubs and societies.

(i) Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(j) Impairment of assets

At each reporting date, the Union assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Union makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount is the greater of fair value less costs to sell and value in use for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the statement of comprehensive income.

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(k) Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expenses in the period in which they are incurred.

(l) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Union and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

Rendering of services

Revenue is recognised with reference to the stage of contract completion. Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

Rental income

Rental income arising under the lease agreement on designated areas of the Union building is accounted for on a straight-line basis over the lease term. Contingent rental income is recognised as income in the periods in which it is earned.

(m) Grants

When grant revenue is received whereby the Union incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

(n) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

NOTE 2: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cont)

(o) Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Union has in substance leased its buildings for no consideration from the Australian National University (the University) under an operating lease where the University retains substantially all the risks and rewards of ownership. Accordingly the Union has not recognised the land and buildings on its statement of financial position. Furthermore, as there is no consideration for lease, no lease payments are recognised on the statement of comprehensive income. Further information on this arrangement is included in Note 14: Related Party and Key Management Personnel Disclosures.

The Union has subleased part of its buildings to external parties under operating leases.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

NOTE 3: CASH AND CASH EQUIVALENTS

	2015 \$	2014 \$
Cash on hand	9,640	9,968
Cash at bank	<u>155,141</u>	<u>566,366</u>
	<u>164,781</u>	<u>576,324</u>

Cash on hand does not earn interest.
Cash at bank earns interest at floating rates based on daily bank deposit rates.

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

NOTE 4: REVENUE AND EXPENSES

	2015	2014
	\$	\$
(a) Revenue		
Income		
Sales	3,011,488	3,356,768
Vending machines commissions	72,927	43,383
Rents received	593,701	641,737
Electricity/gas recovery	60,601	58,590
Advertising income	5,625	5,825
Rebates and Sundry Income	99,089	112,809
Total revenues from operating activities	<u>3,843,430</u>	<u>4,219,111</u>
Other Income		
Grants released	86,616	75,000
Sponsorship	30,060	32,193
Interest Income	36,508	48,138
Gain on sale of property, plant and equipment	22,446	5,774
Total revenues from non-operating activities	<u>175,630</u>	<u>161,106</u>
Total revenues	<u>4,019,060</u>	<u>4,380,217</u>
(b) Expenses		
Cost of Goods Sold	<u>1,555,881</u>	<u>1,831,948</u>
Depreciation & amortisation		
Property, plant & equipment	211,700	306,084
Leasehold improvements	28,015	33,614
Licence	750	750
Total depreciation and amortisation	<u>240,465</u>	<u>340,448</u>
Employee benefits expenses :		
Salaries & related costs	1,509,260	1,589,201
Fringe benefits tax	-	1,240
Superannuation	136,611	140,106
Total employee benefits expense	<u>1,644,871</u>	<u>1,730,548</u>
(c) Other expenses		
Utilities and Insurance	260,465	299,692
Impairment loss	-	-
Repairs and replacements	67,492	70,222
Loss on disposal of Property, Plant & Equipment	-	-
Other expenses	581,339	545,296
Total other expenses	<u>909,296</u>	<u>915,209</u>

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2016

NOTE 5: TRADE & OTHER RECEIVABLES

Trade receivables	224,115	299,143
Other receivables	<u>54,941</u>	<u>68,913</u>
	<u>279,056</u>	<u>368,056</u>

Accounts receivable included amounts owed by the following related party:
The Australian National University

<u>10,075</u>	<u>95,277</u>
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Trade receivables are non-interest bearing and are generally on 30-90 day terms. Other receivables are non-interest bearing.

For terms and conditions relating to related party receivables refer to note 17.

NOTE 6: INVENTORY

Inventory - finished goods (at cost)

<u>202,316</u>	<u>144,824</u>
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In 2015, the Union wrote-off nil (2014: nil) due to inventory obsolescence.

NOTE 7: PREPAYMENTS

Prepayments

<u>62,467</u>	<u>9,165</u>
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NOTE 8: HELD-TO-MATURITY INVESTMENTS

Term deposits - current

<u>1,100,000</u>	<u>908,768</u>
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These term deposits are held for between 3 months to 6 months at interest rates of between 2.6% to 2.9%

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

	2015 \$	2014 \$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT		
Plant and equipment - at cost	2,036,063	2,530,660
Accumulated depreciation & Impairment loss	<u>(1,935,754)</u>	<u>(2,313,392)</u>
	<u>100,309</u>	<u>217,268</u>
Fixtures and fittings - at cost	2,743,901	2,743,901
Accumulated depreciation & Impairment loss	<u>(2,554,734)</u>	<u>(2,435,219)</u>
	<u>189,167</u>	<u>308,682</u>
Motor vehicles - at cost	29,363	29,363
Accumulated depreciation	<u>(29,363)</u>	<u>(29,363)</u>
	<u>-</u>	<u>-</u>
Work In Progress	<u>-</u>	<u>-</u>
Works of art - at fair value	<u>100,000</u>	<u>100,000</u>
Leasehold Improvements - at cost	2,840,293	2,781,703
Accumulated depreciation & Impairment loss	<u>(2,651,559)</u>	<u>(2,623,543)</u>
	<u>188,734</u>	<u>158,160</u>
Intangible Assets		
Post Office/Subway licence - at cost	22,500	22,500
Accumulated amortisation	<u>(19,464)</u>	<u>(18,714)</u>
	<u>3,036</u>	<u>3,786</u>
Total property, plant and equipment	<u><u>581,246</u></u>	<u><u>787,895</u></u>

For property, plant and equipment, the Union assesses at each reporting date whether there is objective evidence that an asset or group of assets is impaired.

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

	2015 \$	2014 \$
NOTE 9: PROPERTY, PLANT AND EQUIPMENT (Cont)		
RECONCILIATIONS		
Plant & Equipment		
Carrying amount at beginning	217,268	302,495
Additions	16,258	48,850
Disposals	(510,855)	(62,850)
Writeback of accumulated depreciation	510,855	62,850
Depreciation	(133,217)	(134,077)
Closing Written Down Value	<u>100,309</u>	<u>217,268</u>
Fixtures & Fittings		
Carrying amount at beginning	308,682	479,848
Additions	-	-
Disposals	-	-
Writeback of accumulated depreciation	(119,515)	(171,167)
Depreciation	189,167	308,681
Closing Written Down Value	<u>189,167</u>	<u>308,681</u>
Motor Vehicles		
Carrying amount at beginning	-	10,136
Additions	-	-
Disposals	-	(34,850)
Writeback of accumulated depreciation	-	25,556
Depreciation	-	(840)
Closing Written Down Value	<u>-</u>	<u>-</u>
Work in Progress		
Carrying amount at beginning	-	37,193
Additions	-	-
Transfers to Plant & Equipment	-	(37,193)
Closing Written Down Value	<u>-</u>	<u>-</u>
Works of Art		
At fair value	<u>100,000</u>	<u>100,000</u>
Leasehold Improvements		
Carrying amount at beginning	158,160	167,616
Additions	58,590	24,157
Disposals	-	-
Write back of accumulated depreciation	-	-
Depreciation	(28,015)	(33,614)
Closing Written Down Value	<u>188,734</u>	<u>158,159</u>
Intangibles - Licences - at cost		
Carrying amount at beginning	3,786	4,536
Amortisation	(750)	(750)
Closing Written Down Value	<u>3,036</u>	<u>3,786</u>

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

NOTE 10: TRADE AND OTHER PAYABLES (CURRENT)

	2015	2014
	\$	\$
Trade payables	170,786	127,698
Goods and services tax	58,704	69,341
Accrued expenses	<u>40,205</u>	<u>194,584</u>
	<u>269,694</u>	<u>391,623</u>

Accounts payable included amounts
owed to the following related party:
The Australian National University

<u>19,607</u>	<u>84,896</u>
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Trade payables are non-interest bearing and are normally settled on 30-day terms. Other payables are non-interest bearing.

For terms and conditions relating to related parties refer to note 17.

The net of GST payable and GST receivable is remitted to the appropriate tax body on a quarterly basis.

NOTE 11: EMPLOYEE BENEFITS

Annual leave provision	81,562	73,535
Long service leave provision (current)	55,851	53,541
Long service leave provision (non-current)	<u>13,573</u>	<u>11,777</u>
	<u>150,986</u>	<u>138,853</u>

NOTE 12: DEFERRED INCOME (CURRENT)

Grant from ANU	-	86,616
Rental Income	49,948	46,633
Others/function funds received in advance	<u>123,232</u>	<u>3,636</u>
	<u>173,181</u>	<u>136,885</u>

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 AS AT 31 December 2015

NOTE 13: COMMITMENTS

	2015 \$	2014 \$
(a) Capital expenditure commitments:		
Capital expenditure commitments payable not later than one year	<u>-</u>	<u>111,739</u>

(b) Licence agreements commitments receivable:

The Union has entered into a number of licence agreements on designated areas of the "The Union Building". These licence agreements have terms of 5 years with an option period of 5 years or 3 years with an option period of 2 years. Licence fee receipts are reviewed annually based on the Consumer Price Index (CPI) Number for Canberra. Management incorporates 2% CPI into the calculation of minimum licence fees receipts.

Future minimum licence fees receivable under the licence agreements are:

	2015 \$	2014 \$
Within one year	281,035	471,909
After one year but not more than five years	318,012	576,997
More than five years	<u>-</u>	<u>-</u>
Total minimum licence fees receipts	<u>599,048</u>	<u>1,048,906</u>

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

NOTE 14: RELATED PARTY AND KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) The board members of the Union and key management personnel responsible for the affairs of the organisation during the financial year and until the date of this report are as follows:

Current Board of Directors	Elected/Appointed
Joshua Bolitho - Chair (from 22/10/15)	27/3/15
Jillian Molloy - Deputy Chair (from 22/10/15)	27/3/15
Thomas Lingafelter	27/3/15
Ashleigh Griffiths	10/3/15
Thomas Lindenmayer	16/7/15
Ben Kremer	16/7/15
Belinda Farrelly	1/11/14
Ben Gill (ANUSA)	Dec 14
Chris Wilson (PARSA)	May 15

Past Board of Directors	Retired
Megan Lane - Chair (from 22/4/15)	18/10/15

Key Management Personnel	General Manager
Allan Harkins	

(b) The members of the Board of the Union were not remunerated except for the Chair and Deputy Chair.

In addition to the compensation of key management personnel, which is separately disclosed in this report, the following details related party transactions which occurred during the period:

The Australian National University makes the Union building available on a no charge basis.

Terms and conditions of transactions with related parties

Apart from the provision of the Union's building, sales to and purchases from related parties are made in arms length transactions at both normal market prices and normal commercial terms.

Outstanding balances at year-end are unsecured and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables.

The Union has no dealings with any other related parties.

THE AUSTRALIAN NATIONAL UNIVERSITY UNION INC.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
AS AT 31 December 2015

NOTE 14: RELATED PARTY AND KEY MANAGEMENT PERSONNEL DISCLOSURES (Cont)

(b) Key Management Personnel, Chair and Deputy Chair's Compensation

The aggregate remuneration paid to key management personnel, Chair and Deputy Chair during the financial year is as follows:

	2015 \$	2014 \$
Short-term benefits		
Total Compensation	<u>152,797</u>	<u>157,650</u>

NOTE 15: EVENTS AFTER THE BALANCE DATE

There has not arisen, in the interval between the end of the period and that date of the report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to significantly affect the operations of the Union, the results of those operations, or the state of the affairs of the Union in subsequent financial years.