

# **The Australian National University Union Incorporated**

**Annual Report - 31 December 2018**

**The Australian National University Union Inc**  
**Director's report**  
**31 December 2018**

The Directors present their report, together with the financial statements, on the incorporated association for the year ended 31 December 2018.

**Directors**

The following persons were Directors of the incorporated association during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name	Position	
Mr Tom Lindenmayer	Director	Stepped down from Chair in January 2019
Mr Nathan Kerwood	Deputy Chair	
Mr Francis Claessens	Chair	Elected: January 2019
Ms Nathalie Rosales-Cheng	Director	Elected: September 2018
Mr Dominic Kasah	Director	
Ms Lauren Knightly	Director	
Mr Robby Magyar	Director	
Mr Scott Joblin	PARSA Representative	
Mr Nicholas Douros	ANUSA Representative	
Ms Agatha Cout	Director	Finished term in March 2018
Ms Jemma Cavanagh	Director	Previous Deputy Chair, Finished term in March 2018
Mr James Howarth	Director	Resigned: July 2018
Mr Tom Nock	Director	Finished term in March 2018

**Principal activities**

The objects of the Union are:

- a) to provide high quality, cost effective facilities and services for its members;
- b) to provide a recognised meeting place and social centre for its members;
- c) to promote the intellectual, social and general welfare of the University community;
- d) to actively foster the development and enhancement of ANU Clubs and Societies and ANU Halls and Residences and their inter-residential organisations; and
- e) to actively work with ANUSA, PARSA and other related on-campus organisations to advance the above objects.

On behalf of the Board

  
Francis Claessens  
Chair of the Board

  
Mr Nathan Kerwood  
Deputy Chair of the Board

Date: 25/2/19  
Canberra

## **The Australian National University Union**

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### **General information**

The financial statements cover The Australian National University Union Inc as an individual entity. The financial statements are presented in Australian dollars, which is The Australian National University Union Inc's functional and presentation currency.

The Australian National University Union Inc is a not-for-profit incorporated association, registered with the Australian Charities and Not-for-Profit Commission.

The financial statements were authorised for issue on 25 February 2019.

**The Australian National University Union Inc**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2018**

	<b>Note</b>	<b>2018</b> <b>\$</b>	<b>2017</b> <b>\$</b>
Revenue from ordinary activities	3(a)	131,054	2,261,899
Cost of sales		(98)	(1,045,221)
Depreciation and amortisation expense	3(b)	(9,476)	(132,791)
Salaries and employee benefits expense	3(c)	(50,621)	(1,170,716)
Other expenses	3(d)	(49,271)	(316,576)
Surplus/(Deficit) attributable to members of the Australian National University Incorporated		<u>21,588</u>	<u>(403,405)</u>
Other Comprehensive Income		-	-
Total Comprehensive Income		<u><u>21,588</u></u>	<u><u>(403,405)</u></u>

*The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes*

**The Australian National University Union Inc**  
**Statement of Financial Position**  
**As at 31 December 2018**

	Note	2018 \$	2017 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	923,691	935,063
Trade and other receivables	5	22,999	67,158
Prepayments		3,848	3,622
<b>TOTAL CURRENT ASSETS</b>		<u>950,538</u>	<u>1,005,843</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	39,788	40,286
<b>TOTAL NON-CURRENT ASSETS</b>		<u>39,788</u>	<u>40,286</u>
<b>TOTAL ASSETS</b>		<u><b>990,326</b></u>	<u><b>1,046,129</b></u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	14,214	70,839
Employee Benefits	8	34,663	26,363
Deferred income	10	24,008	45,956
<b>TOTAL CURRENT LIABILITIES</b>		<u>72,885</u>	<u>143,158</u>
<b>NON-CURRENT LIABILITIES</b>			
Employee Benefits	8	140	7,258
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>140</u>	<u>7,258</u>
<b>TOTAL LIABILITIES</b>		<u><b>73,025</b></u>	<u><b>150,416</b></u>
<b>NET ASSETS</b>		<u><b>917,301</b></u>	<u><b>895,713</b></u>
<b>EQUITY</b>			
Accumulated Funds		917,301	895,713
<b>TOTAL EQUITY</b>		<u><b>917,301</b></u>	<u><b>895,713</b></u>

*The above Statement of Financial Position should be read in conjunction with the accompanying notes*

**The Australian National University Union Inc**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2018**

	<b>Retained Earnings</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance as at 31 December 2016</b>	<b>1,299,118</b>	<b>1,299,118</b>
Surplus/(Deficit) attributable to members of the Australian National University Incorporated	(403,405)	(403,405)
<b>Balance as at 31 December 2017</b>	<b>895,713</b>	<b>895,713</b>
Surplus/(Deficit) attributable to members of the Australian National University Incorporated	21,588	21,588
<b>Balance as at 31 December 2018</b>	<b>917,301</b>	<b>917,301</b>

**The Australian National University Union Inc**  
**Statement of Cash Flows**  
**For the year ended 31 December 2018**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from customers	172,691	2,526,888
Interest received	14,001	16,099
Sponsorship received	-	2,763
Rent received	-	241,480
Other income received	-	63,828
Net Goods and services and tax paid	(11,705)	(227,213)
Payments to supplier and employees	(177,381)	(2,850,714)
<b>Net cash used in operating activities</b>	<b>(2,394)</b>	<b>(226,869)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment	3,500	40,360
Payments for property, plant and equipment	(12,478)	-
<b>Net cash provided by/(used in) investing activities</b>	<b>(8,978)</b>	<b>40,360</b>
Net increase decrease in cash held	(11,372)	(186,509)
Cash at beginning of financial year	935,063	1,121,572
<b>Cash at end of financial year</b>	<b>923,691</b>	<b>935,063</b>

*The above Statement of Cash Flows should be read in conjunction with the accompanying notes*

**The Australian National University Union Inc**  
**Notes to the financial statements**  
**31 December 2018**

**Note 1. Significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The incorporated association has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and the Incorporated Associations Act 1991 (*Australian Capital Territory*), the Australian Charities and Not-for-profits Commission Act 2012, as appropriate for not-for-profit oriented entities.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the incorporated association's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Income tax**

As the incorporated association is a charitable institution in terms of subsection 50-5 of the Income Tax Assessment Act 1997, as amended, it is exempt from paying income tax.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the incorporated association's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**Goods and Services Tax ('GST') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

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

**Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Estimation of useful lives of assets*

The incorporated association determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

*Employee benefits provision*

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

**The Australian National University Union Inc**  
**Notes to the financial statements**  
**31 December 2018**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 3: REVENUE AND EXPENSES</b>		
<b>(a) Revenue from ordinary activities</b>		
Income	-	1,808,106
Vending machines commissions	85,852	66,973
Rents received	-	219,527
Electricity/gas recovery	-	14,699
Advertising income	-	2,897
Rebates and sundry income	31,201	51,260
	<b>117,053</b>	<b>2,163,462</b>
Other income	-	68,860
Sponsorship	-	2,763
Interest	14,001	16,099
Gain on sale of property, plant and equipment	-	10,715
	<b>14,001</b>	<b>98,437</b>
	<b>131,054</b>	<b>2,261,899</b>

**Accounting Policy**

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 revenue recognition criteria must also be met before revenue is recognised:

*Sale of goods*

Revenue is recognised when the significant risk and rewards of ownership 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 buyer.

*Interest*

Revenue is recognised as the interest accrues on the short-term deposit.

**Expenses**

<b>(b) Depreciation and amortisation expense</b>		
Property, plant and equipment	9,476	19,815
Fixtures and fittings	-	25,481
Leasehold improvements	-	87,045
Licences	-	450
	<b>9,476</b>	<b>132,791</b>
<b>(c) Salaries and employee benefits expense</b>		
Salaries and related costs	40,182	1,080,626
Superannuation	10,439	90,090
	<b>50,621</b>	<b>1,170,716</b>
<b>(d) Other expenses</b>		
Utilities and insurance	2,604	152,455
Impairment loss	3,500	39,500
Repairs and replacements	1,615	12,753
Loss on sale of assets	-	114,115
Other expenses/(costs recovered)	41,552	(2,247)
	<b>49,271</b>	<b>316,576</b>

The Australian National University Union Inc  
Notes to the financial statements  
31 December 2018

	2018 \$	2017 \$
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>		
Cash at bank *	273,691	185,063
Short term deposits **	650,000	750,000
	<u>923,691</u>	<u>935,063</u>

\* Cash at bank earns interest at floating rates based on daily bank deposit rates

\*\* These deposits are held for between 3-6 months at interest rates between 2.6% and 2.9%.

**Accounting policy**

Cash and short-term deposits in the Statement of Financial Position comprise of cash at bank, cash on 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.

**NOTE 5: TRADE AND OTHER RECEIVABLES**

Trade debtors	-	29,165
Other receivables	22,999	37,993
	<u>22,999</u>	<u>67,158</u>

**Accounting Policy**

Trade receivables are non-interest bearing and are generally on 30-90 day terms. Other receivables are non-interest bearing.

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

**NOTE 6: PROPERTY, PLANT AND EQUIPMENT**

Plant and equipment – at cost	86,630	77,724
Accumulated depreciation	(46,842)	(40,938)
	<u>39,788</u>	<u>36,786</u>
Motor vehicles – at cost	-	29,363
Accumulated depreciation	-	(29,363)
	<u>-</u>	<u>-</u>
Works of art – at fair value	-	3,500
	<u>-</u>	<u>3,500</u>
<b>Total property, plant and equipment</b>	<u>39,788</u>	<u>40,286</u>

**Accounting policy:**

Plant and equipment is stated at cost less accumulated depreciation and any impairment in the 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

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

**NOTE 6: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Union. Gains and losses between the carrying amount and the disposal proceeds are taken to

**The Australian National University Union Inc**

**Notes to the financial statements**

**31 December 2018**

profit or loss.

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

	<b>Plant and equipment</b>	<b>Works of art</b>	<b>Total</b>
	<b>\$</b>		<b>\$</b>
<b>2018</b>			
Balance at the beginning of the year	36,786	3,500	40,286
Additions	12,478	-	12,478
Disposals at written down value	-	(3,500)	(3,500)
Depreciation expense	(9,476)	-	(9,476)
<b>Carrying amount at end of year</b>	<b>39,788</b>	<b>-</b>	<b>39,788</b>

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>NOTE 7: TRADE AND OTHER PAYABLES</b>		
Trade Creditors	15,008	42,139
Goods and services tax payable/(receivable)	(886)	2,903
Accrued expenses	92	25,797
	<b>14,214</b>	<b>70,839</b>

**Accounting policy:**

These amounts represent liabilities for goods and services provided to the Union prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**The Australian National University Union Inc**  
**Notes to the financial statements**  
**31 December 2018**

	2018	2017
	\$	\$
<b>NOTE 8: EMPLOYEE BENEFITS</b>		
<b>CURRENT</b>		
Annual leave provision	16,093	18,684
Long service Leave	18,570	7,679
	<u>34,663</u>	<u>26,363</u>
<b>NON-CURRENT</b>		
Long service Leave	140	7,258
	<u>140</u>	<u>7,258</u>
	<u><b>34,803</b></u>	<u><b>33,621</b></u>

**Accounting policy:**

*Employee benefits*

*Short-term employee benefits*

Liabilities for annual leave and long service leave expected to be settled wholly 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 at 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 expensed in the period in which they are incurred.

**NOTE 9: COMMITMENTS**

The Union does not have any commitments as at balance date.

**Accounting policy**

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.

Until the 4th of August 2017 the Union had 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 did not recognise the land and buildings within the Statement of Financial Position. Furthermore, as there is no consideration for lease, no lease payments have been recognised on the Statement of Comprehensive Income.

**NOTE 10: DEFERRED INCOME**

Funds received in advance	<u>24,008</u>	<u>45,956</u>
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**The Australian National University Union Inc**  
**Notes to the financial statements**  
**31 December 2018**

**NOTE 11: 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:

Mr Tom Lindenmayer	Director	Stepped down from Chair in January 2019
Mr Nathan Kerwood	Deputy Chair	
Mr Francis Claessens	Chair	Elected: January 2019
Ms Nathalie Rosales-Cheng	Director	Elected: September 2018
Mr Dominic Kasah	Director	
Ms Lauren Knightly	Director	
Mr Robby Magyar	Director	
Mr Scott Joblin	PARSA Representative	
Mr Nicholas Douros	ANUSA Representative	
Ms Agatha Cout	Director	Finished term in March 2018
Ms Jemma Cavanagh	Director	Finished term in March 2018
Mr James Howarth	Director	Resigned: July 2018
Mr Tom Nock	Director	Finished term in March 2018

(b) Remuneration of the board and key management personnel

The members of the board of the Union were not remunerated except for the Chair and Deputy Chair.

Nil other transactions occurred in the period.

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

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
Short term benefits	143,754	115,494
Post-employment benefits	13,528	11,234
	<u><b>157,282</b></u>	<u><b>126,728</b></u>

**The Australian National University Union Inc**  
**Director's Declaration**  
**31 December 2018**

In the Directors' opinion:

- the attached financial statements and notes comply with the Australian Accounting Standards - Reduced Disclosure Requirements, the Australian Charities and Not-for-profits Commission Act 2012 and the *Associations Incorporations Act 1991 (ACT)*;
- the attached financial statements and notes give a true and fair view of the incorporated association's financial position as at 31 December 2018 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the incorporated association will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Francis Claessens  
Chair of the Board



Mr Nathan Kerwood  
Deputy Chair of the Board

Date: 25/2/19  
Canberra

**RSM Australia Pty Ltd**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of the Australian National University Union Incorporated for the year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



**RSM AUSTRALIA PTY LIMITED**



**G M STENHOUSE**  
Director

Canberra, Australian Capital Territory  
Date: 27 February 2019

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

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## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF**

### **THE AUSTRALIAN NATIONAL UNIVERSITY UNION INCORPORATED**

#### **Opinion**

We have audited the financial report of the Australian National University Union Incorporated (ANU Union), which comprises the statement of financial position as at 31 December 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by the Board.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the ANU Union as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards.

In our opinion, the financial report of the Australian National University Union Incorporated has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 31 December 2018 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards- Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### **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 ANU Union in accordance with 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

#### **Other Information**

The Board are responsible for the other information. The other information comprises the information included in ANU Union's annual report for the year ended 31 December 2018, but does not include the financial report and the auditor's report thereon.

#### **THE POWER OF BEING UNDERSTOOD**

AUDIT | TAX | CONSULTING

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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Report**

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing ANU Union'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 management either intends to liquidate ANU Union or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### **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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Pronouncements/Australian-Auditing-Standards/Auditors-Responsibilities.aspx>. This description forms part of our auditor's report.



**RSM AUSTRALIA PTY LIMITED**



**G M STENHOUSE**  
Director

Canberra, Australian Capital Territory  
Date: 27 February 2019