

**WODONGA STUDENT
ASSOCIATION INC.**

Financial Statements
For the year ended 31 December 2017

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WODONGA STUDENT ASSOCIATION INC.

Contents

Committee's Report

Divisional Trading Account

Trading Account

Divisional Profit and Loss Statement

Income and Expenditure Statement

Detailed Balance Sheet

Statement of Cash Flows

Notes to the Financial Statements

Statement by Members of the Committee

Independent Auditor's Report to the Members

Certificate by Member of the Committee

WODONGA STUDENT ASSOCIATION INC.

Committee's Report

For the year ended 31 December 2017

Your committee members submit the financial accounts of the WODONGA STUDENT ASSOCIATION INC. for the financial year ended 31 December 2017.

Committee Members

The names of committee members at the date of this report are:

President - Samantha Barlow
Treasurer - Ben Walther
Secretary - Brett Sanderson
Vice President - Monique Wurtz
Sports & Recreation Officer - Vacant
Residents & Social Networking- Cameron Crow
Publications Officer - Vacant
Entertainment Officer - Vacant
Wellbeing Officer - Chantel Winkler
La Trabe Representative - Adam Mitchell

Principal Activities

The principal activities of the association during the financial year were: Student Association.

Significant Changes

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

Operating Result

The deficit from ordinary activities after providing for income tax amounted to

Year ended	Year ended
31 December 2017	31 December 2016
\$	\$
(61,222.78)	19,367.01

Signed in accordance with a resolution of the Members of the Committee on:



President - Samantha Barlow



Treasurer - Ben Walther

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.

Divisional Trading Account

For the year ended 31 December 2017

	Midway Cafe	Hangar Bar	Student Activities	Total
Trading Income				
Cafe/Bar	67,983.22	2,977.93		70,961.15
Student Activities			2,324.54	2,324.54
Total	67,983.22	2,977.93	2,324.54	73,285.69
Cost of Sales				
Add:				
Purchases - Cafe/Bar	42,341.53	2,848.90		45,190.43
Student Activities			7,289.81	7,289.81
	42,341.53	2,848.90	7,289.81	52,480.24
Total	42,341.53	2,848.90	7,289.81	52,480.24
Divisional Profit from Trading	25,641.69	129.03	(4,965.27)	20,805.45

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.
Divisional Trading Account
For the year ended 31 December 2017

Unapportioned Trading Income

Office Sales	791.84
Total	<u>791.84</u>

Cost of Sales

Add:

Opening stock	7,232.24
Purchases - Cafe/Bar	941.36
Student Activities	11,508.99
Office Sales	6,545.46
	<u>26,228.05</u>

Less:

Closing stock	9,294.21
	<u>9,294.21</u>

Total	<u>16,933.84</u>
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Gross Profit from Trading	<u>4,663.45</u>
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WODONGA STUDENT ASSOCIATION INC.

Trading Account

For the year ended 31 December 2017

	2017	2016
	\$	\$
<hr/>		
Trading Income		
Cafe/Bar	70,961.15	100,721.11
Student Activities	2,324.54	7,982.99
Office Sales	791.84	2,365.47
Vending		645.43
Total Trading Income	<u>74,077.53</u>	<u>111,715.00</u>
 Cost of Sales		
 Add:		
Opening stock	7,232.24	5,567.07
Purchases - Cafe/Bar	46,131.79	58,732.55
Student Activities	18,798.80	13,469.50
Office Sales	6,545.46	
	<u>78,708.29</u>	<u>77,769.12</u>
 Less:		
Closing stock	9,294.21	7,232.24
	<u>9,294.21</u>	<u>7,232.24</u>
 Cost of Sales	69,414.08	70,536.88
 Gross Profit from Trading	<u><u>4,663.45</u></u>	<u><u>41,178.12</u></u>

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.**Divisional Profit and Loss Statement****For the year ended 31 December 2017**

	Midway Cafe	Hangar Bar	Student Activities	Total
Income				
Trading Profit	25,641.69	129.03	(4,965.27)	20,805.45
Miscellaneous Income	205.36			205.36
Total	<u>25,847.05</u>	<u>129.03</u>	<u>(4,965.27)</u>	<u>21,010.81</u>
Expenses				
Fees & licences	2,102.68		426.41	2,529.09
Cleaning and rubbish removal	659.36			659.36
Repairs and maintenance	2,178.64			2,178.64
Security			750.00	750.00
Postage and shipping	107.75			107.75
Wages	46,393.03	3,921.37	14,050.11	64,364.51
Total	<u>51,441.46</u>	<u>3,921.37</u>	<u>15,226.52</u>	<u>70,589.35</u>
Divisional Profit	<u>(25,594.41)</u>	<u>(3,792.34)</u>	<u>(20,191.79)</u>	<u>(49,578.54)</u>

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.
Divisional Profit and Loss Statement
For the year ended 31 December 2017

Income not apportioned

Trading Profit	(16,142.00)
Interest received	2,282.51
La Trobe University	293,629.72
Miscellaneous Income	170.00
Total	<u>279,940.23</u>

Expenses not apportioned

Bank Fees And Charges	1,839.37
Fees & licences	2,921.41
Depreciation	23,787.00
Insurance	5,576.16
Cleaning and rubbish removal	6,006.85
Repairs and maintenance	6,685.95
Security	2,165.62
Fire Monitoring	2,208.80
Pest control	1,927.28
Printing	4,552.68
Stationery	887.23
Telephone - mobile	1,198.59
Computer expenses	1,810.07
Accountancy/Audit	3,636.36
Wages	160,117.86
Superannuation	34,423.44
ELE provision movement	5,428.61
Workers compensation	2,756.44
Staff training	163.64
Travel & accom expenses	23,491.11
Total	<u>291,584.47</u>

Net Profit	<u>(61,222.78)</u>
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WODONGA STUDENT ASSOCIATION INC.**Income and Expenditure Statement
For the year ended 31 December 2017**

	2017	2016
	\$	\$
Income		
Trading profit	4,663.45	41,178.12
Interest received	2,282.51	2,884.38
La Trobe University	293,629.72	340,000.00
Miscellaneous Income	375.36	2,582.21
Total income	<u>300,951.04</u>	<u>386,644.71</u>
Expenses		
Bank Fees And Charges	1,839.37	3,540.09
Fees & licences	5,450.50	3,976.41
Depreciation	23,787.00	28,589.00
Insurance	5,576.16	6,081.00
Cleaning and rubbish removal	6,666.21	7,223.95
Repairs and maintenance	8,864.59	13,975.27
Security	2,915.62	1,200.00
Fire Monitoring	2,208.80	2,482.12
Pest control	1,927.28	113.64
Postage and shipping	107.75	118.64
Printing	4,552.68	2,697.52
Stationery	887.23	590.24
Telephone - mobile	1,198.59	1,227.20
Computer expenses	1,810.07	4,547.87
Accountancy/Audit	3,636.36	3,500.00
Wages	224,482.37	228,657.88
Superannuation	34,423.44	35,186.75
ELE provision movement	5,428.61	19,333.20
Workers compensation	2,756.44	2,916.54
Staff training	163.64	
Travel & accom expenses	23,491.11	1,320.38
Total expenses	<u>362,173.82</u>	<u>367,277.70</u>
Profit (loss) from ordinary activities before income tax	(61,222.78)	19,367.01
Income tax revenue relating to ordinary activities		
Net profit (loss) attributable to the association	<u>(61,222.78)</u>	<u>19,367.01</u>

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.
Income and Expenditure Statement
For the year ended 31 December 2017

	2017	2016
	\$	\$
Total changes in equity of the association	<u><u>(61,222.78)</u></u>	<u><u>19,367.01</u></u>
Opening retained profits	691,988.92	672,621.91
Net profit (loss) attributable to the association	<u>(61,222.78)</u>	<u>19,367.01</u>
Closing retained profits	<u><u>630,766.14</u></u>	<u><u>691,988.92</u></u>

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.
Detailed Balance Sheet as at 31 December 2017

	Note	2017 \$	2016 \$
Current Assets			
Cash Assets			
Cash At Bank		248,340.19	287,837.89
Term Deposit - NAB		111,482.10	109,379.02
Cash on hand		(91.85)	(1.55)
Floats on hand		2,212.00	2,212.00
Payments card - Jo		1,279.92	
Payments card - Susie		902.34	
Undeposited Funds		2,092.30	8,169.00
		<u>366,217.00</u>	<u>407,596.36</u>
Receivables			
Trade debtors		3,214.81	4,827.40
Student loans		735.00	735.00
		<u>3,949.81</u>	<u>5,562.40</u>
Inventories			
Stock on hand		9,294.21	7,232.24
		<u>9,294.21</u>	<u>7,232.24</u>
Other			
Prepayments		20,070.00	20,070.00
		<u>20,070.00</u>	<u>20,070.00</u>
Total Current Assets		<u>399,531.02</u>	<u>440,461.00</u>

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.
Detailed Balance Sheet as at 31 December 2017

	Note	2017	2016
		\$	\$
Non-Current Assets			
Property, Plant and Equipment			
Buildings - at cost		692,889.00	692,889.00
Less: Accumulated depreciation		(430,285.00)	(412,963.00)
Land improvements		19,268.00	19,268.00
Less: Accumulated depreciation		(10,623.00)	(10,189.00)
Furniture, plant & equipment - at cost		228,600.00	228,600.00
Less: Accumulated depreciation		(219,350.00)	(213,319.00)
		280,499.00	304,286.00
Intangible Assets			
Right of access to Waveroo Building		100,000.00	100,000.00
		100,000.00	100,000.00
Total Non-Current Assets		380,499.00	404,286.00
Total Assets		780,030.02	844,747.00
Current Liabilities			
Payables			
Unsecured:			
Trade creditors		1,083.15	1,561.39
Creditor - ATO		18,130.41	24,739.97
Cheerleading		381.40	381.40
		19,594.96	26,682.76
Provisions			
Annual Leave Accrual		76,653.29	71,224.68
Long Service Leave Accrual		49,369.00	49,369.00
Superannuation		3,646.63	5,481.64
		129,668.92	126,075.32
Total Current Liabilities		149,263.88	152,758.08

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.
Detailed Balance Sheet as at 31 December 2017

	Note	2017 \$	2016 \$
Total Liabilities		<u>149,263.88</u>	<u>152,758.08</u>
Net Assets		<u>630,766.14</u>	<u>691,988.92</u>
Members' Funds			
Accumulated surplus (deficit)		<u>630,766.14</u>	<u>691,988.92</u>
Total Members' Funds		<u>630,766.14</u>	<u>691,988.92</u>

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.

Statement of Cash Flows

For the year ended 31 December 2017

	2017	2016
	\$	\$
Cash Flow From Operating Activities		
Receipts from customers	369,695.20	525,010.71
Payments to Suppliers and employees	(413,357.07)	(383,670.29)
Interest received	2,282.51	2,884.38
Net cash provided by (used in) operating activities (note 2)	<u>(41,379.36)</u>	<u>144,224.80</u>
Net increase (decrease) in cash held	(41,379.36)	144,224.80
Cash at the beginning of the year	<u>407,596.36</u>	<u>263,371.36</u>
Cash at the end of the year (note 1)	<u><u>366,217.00</u></u>	<u><u>407,596.16</u></u>

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.

Statement of Cash Flows

For the year ended 31 December 2017

2017

2016

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

Cash At Bank	248,340.19	287,837.89
Term Deposit - NAB	111,482.10	109,379.02
Cash on hand	(91.85)	(1.55)
Floats on hand	2,212.00	2,212.00
Payments card - Jo	1,279.92	
Payments card - Susie	902.34	
Undeposited Funds	2,092.30	8,169.00
	<u>366,217.00</u>	<u>407,596.36</u>

Report is out of balance by :-

Cash at the end of the year per Cash Flow Statement	366,217.00	407,596.36
Closing balances of Cash (bank) accounts	<u>366,217.00</u>	<u>407,596.36</u>

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.

Statement of Cash Flows

For the year ended 31 December 2017

	2017	2016
Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Operating Profit After Income Tax		
Operating profit after income tax	(61,222.78)	19,367.01
Changes in assets and liabilities net of effects of purchases and disposals of controlled entities:		
(Increase) decrease in trade and term debtors	1,612.59	70,713.50
(Increase) decrease in raw materials	(2,061.97)	(1,665.17)
Increase (decrease) in trade creditors and accruals	16,699.20	28,520.85
Increase (decrease) in employee entitlements	3,593.60	27,288.61
Net cash provided by (used in) operating activities	<u><u>(41,379.36)</u></u>	<u><u>144,224.80</u></u>

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.

Notes to the Financial Statements

For the year ended 31 December 2017

Note 1: Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act of Victoria. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(b) Impairment of Assets

At the end of each reporting period, the entity 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 income statement.

(c) Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(e) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

WODONGA STUDENT ASSOCIATION INC.

Notes to the Financial Statements

For the year ended 31 December 2017

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

(f) Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

(g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the 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 assets and liabilities statement are shown inclusive of GST.

(h) Trade and Other Payables

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

WODONGA STUDENT ASSOCIATION INC.

Statement by Members of the Committee

For the year ended 31 December 2017

The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of WODONGA STUDENT ASSOCIATION INC. as at 31 December 2017 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

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



President - Samantha Barlow

President



Treasurer - Ben Walther

Treasurer

The accompanying notes form part of these financial statements.

WODONGA STUDENT ASSOCIATION INC.
Independent Auditor's Report to the Members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of WODONGA STUDENT ASSOCIATION INC. (the association), which comprises the Statement by Members of the Committee, Income and Expenditure Statement, Balance Sheet as at 31 December 2017, a summary of significant accounting policies and the certification by members of the committee on the annual statements giving a true and fair view of the financial position and performance of the association.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the association as at 31 December 2017 and [of] its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements and the requirements of the Associations Incorporation Reform Act 2012.

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 association 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 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the association to meet the requirements of Associations Incorporation Reform Act 2012. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the Committee for the Financial Report

The committee is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the Associations Incorporation Reform Act 2012 and for such internal control as the committee determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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WSA Notes for 2017 Audit Report

Audit - Committee's Report - page 1

2017 Operating Result: (\$61,222.78)

La Trobe University Student Leadership Conference - January 2017

At the end of 2016, WSA received funding from La Trobe University to organise and host the 2017 La Trobe University Student Leadership Conference. In 2016 WSA received \$43,000 conference funding. A portion of conference funding was spent in 2016, with the remainder of \$39,903.09 spent in 2017 on hosting the conference. The conference income was received in 2016 and spent in 2017, affecting cash flow across 2016 and 2017 financial reports.

Audit - Trading income – page 4

Trading income decreased in 2017 compared to 2016, evident in the trading income report with Hangar Café/Bar, student activities and office sales.

Factors that impacted this reduction included fewer students on campus, reduction in café hours, and the new La Trobe café opening in 2017. In addition, the café staff, stock and facilities are frequently used for free food events for students. The increase in the range of food in the Free Food Pantry, including ready to eat items, has also impacted café sales. In 2017 there was an unforeseen reduction in semester one student activities and bar events (including cancellation of the main orientation evening event) due to the sudden death of La Trobe University Student and WSA committee member Josh Harms.

Audit – Income and Expenditure Statement – page 7

- ELE (Employee Leave Entitlements) provision movement – reduced to \$5,428.61 in 2017 from \$19,333.20 in 2016. This is the result of a WSA plan for staff to use accrued leave.
- Travel and Accommodation expenses increased from \$1,320.38 in 2016 to \$23,491.11 in 2017 due to WSA hosting the 2017 La Trobe Student Leadership conference.

Note – WSA one-off funding in 2016

In 2016, WSA received a payment of \$23,000 from La Trobe University as a contribution to superannuation expenses in 2014 and 2015. The superannuation and Student Leadership Conference funding of \$43,000 combined for a total of \$66,000 in one-off funding to WSA during 2016. These payments affect cash flow and comparisons between 2016 and 2017 financial years.