

DEAKIN UNIVERSITY STUDENT ASSOCIATION INC.

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

ABN 95022653791

Registration Number A0040625Y





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Student Council Report

Your members of the Student Council present their report, together with the financial statements, on the association for the financial year ended 31 December 2022.

Student Council members

The following members of the Student Council were in office during the whole of the financial year and up to the date of this report, unless otherwise stated:

Student Council Member	Commencement date	Cessation date
Guleid Abdullahi		
Georgie Brimer		
Jonathan De La Pena		
Vedashree Babar		24/3/2022
Qi Xing		31/10/2022
Liam Cowan		31/10/2022
Sid Shrestha		31/10/2022
Laura Moorfoot		31/10/2022
Alan Wang		31/10/2022
Mason Allcorn		31/10/2022
Giselle Puno	25/3/2022	31/10/2022
Spencer Perry	1/11/2022	
Simar Bedi	1/11/2022	
Max McGahan	1/11/2022	
Tiankuo Cui	1/11/2022	
Prabhmah Singh	1/11/2022	
Jorja Sharp	1/11/2022	
Alexandra Petherick	1/11/2022	

Additionally, the Student Council were supported by forty-nine elected Student Representatives in office during the financial year or up to the date of this report.

Objective

The objective of the association is to help students succeed.

Strategy for achieving the objective

The association is a strong and visible voice that advocates and lobbies for student needs, provides a supportive community for all students and provides relevant and accessible services that enhance the overall student experience.

Principal activity

The principal activity of the association during the financial year was to provide student services to the members of the association and the wider Deakin student community.

Operating results

After taking into account losses on investments, the total comprehensive income for the association for the financial year was a loss of \$1,211,741 (2021: total comprehensive income \$349,242).

Review of operations

Deakin University Student Association maintained its purpose of advancing the education of the students at Deakin University. During 2022 the association engaged in the principal activities of promoting student interests and welfare, representing students, co-ordinating and supporting student activity and providing amenities and services.

During 2022 services continued to be provided to students under a Service Level Agreement with Deakin University to the value of \$4,485,175 (2021: \$4,438,219). The association received an additional \$450,000 (2021: \$450,000) from Deakin University to support the governance function of the association.

A 3-tiered DUSA membership package continues to be offered with bronze, silver, and gold memberships. The benefits offered to members include merchandise, discounts on DUSA events and services and discounts with selected external providers.

Significant changes in the state of affairs

During 2022 the difficult decision was made to close the remaining two DUSA bookshops as they were no longer financially viable. Trading ceased at the end of November 2022. Six staff were made redundant. All bookshop inventory was returned to suppliers, sold at discount prices, or written off against the provision for obsolete stock.

There were no other significant changes in the state of affairs of the association during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the association's operations, the results of those operations, or the association's state of affairs in future financial years.

Signed in accordance with a resolution of the members of the Student Council:

A handwritten signature in black ink, appearing to read "Georgie Brimer", written over a horizontal line.

Georgie Brimer, President

A handwritten signature in black ink, appearing to read "Jonathan De La Pena", written over a horizontal line.

Jonathan De La Pena, General Secretary

Dated this 21st day of April 2023

General Information

The financial statements cover Deakin University Student Association Inc as an individual entity. The financial statements are presented in Australian dollars and have been rounded to the nearest dollar.

Deakin University Student Association Inc. is a not-for-profit entity under Australian Accounting Standards, incorporated in Victoria and registered with the Australian Charities and Not-for-profits Commission. Its registered office and principal place of business are:

Registered office and Principal place of business

Deakin University Student Association Inc.
Building H
Deakin University
221 Burwood Highway
Burwood Vic 3125

A description of the nature of the incorporated association's operations and its principal activities are included in the Student Council report, which is not part of the financial statements.

The financial statements were authorised for issue on 20th April 2023 by the members of the Student Council.

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
Continuing Operations			
Revenue	3	6,624,305	6,494,350
Cost of sales		(288,250)	(239,741)
Employee benefits expense		(3,680,193)	(3,948,678)
Depreciation and amortisation expenses		(59,879)	(110,970)
Change in allowance for expected credit losses		(828)	2,500
Event and program expenses		(1,338,212)	(769,800)
Computer systems expenses		(176,723)	(237,854)
Equipment expenses	25	(140,630)	(118,787)
Travel expenses	25	(284,834)	(15,015)
Uniforms, clothing, and merchandise		(148,128)	(151,169)
Other expenses	25	(522,721)	(514,394)
(Deficit)/Surplus for the year from continuing operations		(16,093)	390,442
Discontinued operations			
Deficit for the year from discontinued operations	26	(956,431)	(153,647)
(Deficit)/Surplus for the year		(972,524)	236,795
Other comprehensive income			
Items that will not be reclassified to profit and loss:			
Fair value remeasurement (loss)/gain on financial assets		(239,217)	112,447
Total other comprehensive income for the year		(239,217)	112,447
Total comprehensive income for the year		(1,211,741)	349,242

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	677,336	951,784
Trade and other receivables	6	123,342	115,915
Inventories	7	282,353	1,217,118
Financial assets	8	4,001,274	4,049,189
Other assets	9	139,231	162,334
TOTAL CURRENT ASSETS		5,223,536	6,496,340
NON-CURRENT ASSETS			
Financial assets	10	2,658,909	2,815,656
Property, plant, and equipment	11	72,098	102,385
Intangible assets	12	90,526	121,621
TOTAL NON-CURRENT ASSETS		2,821,533	3,039,662
TOTAL ASSETS		8,045,069	9,536,002
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	13	471,242	628,568
Employee benefits	14	624,514	748,617
Other liabilities	15	329,361	315,957
TOTAL CURRENT LIABILITIES		1,425,117	1,693,142
NON-CURRENT LIABILITIES			
Employee benefits	16	51,263	62,430
TOTAL NON-CURRENT LIABILITIES		51,263	62,430
TOTAL LIABILITIES		1,476,380	1,755,572
NET ASSETS		6,568,689	7,780,430
EQUITY			
Reserves	17	352,250	647,187
Retained earnings		6,216,439	7,133,243
TOTAL EQUITY		6,568,689	7,780,430

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2022

	Retained Earnings \$	Clubs Profit Reserve \$	Financial Assets Reserve \$	Total \$
Balance at 1 January 2021	6,895,131	487,179	48,878	7,431,188
Transfers to (from) reserves	(15,507)	15,507	-	-
Surplus attributable to members	236,795	-	-	236,795
Other comprehensive income for the year	-	-	112,447	112,447
Transfer of realised gain on financial assets to retained earnings	16,824	-	(16,824)	-
Balance at 1 January 2022	7,133,243	502,686	144,501	7,780,430
Transfers to (from) reserves	84,749	(84,749)	-	-
Deficit attributable to members	(972,524)	-	-	(972,524)
Other comprehensive income for the year	-	-	(239,217)	(239,217)
Transfer of realised loss on financial assets to retained earnings	(29,029)	-	29,029	-
Balance at 31 December 2022	6,216,439	417,937	(65,687)	6,568,689

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts of funding from Deakin University		5,428,692	5,377,041
Receipts from customers and members		2,548,022	2,928,348
Payments to suppliers and employees		(8,361,309)	(7,679,677)
Investment income from financial assets		32,006	16,850
Interest received		22,874	27,082
Net cash provided by (used in) operating activities		(329,715)	669,644
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments		-	(1,000,000)
Proceeds from redemption of investments		47,915	927,663
Purchase of property, plant, and equipment		(46,988)	(54,486)
Proceeds from sale of property, plant, and equipment		54,340	20,469
Purchase of intangibles		-	(26,976)
Net cash provided by (used in) investing activities		55,267	(133,330)
Net increase (decrease) in cash and cash equivalents		(274,448)	536,314
Cash and cash equivalents at beginning of financial year		951,784	415,470
Cash and cash equivalents at end of financial year	5	677,336	951,784

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2022

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

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

New or amended Accounting Standards and Interpretations adopted

The association has adopted all 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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the association.

The following Accounting Standards and Interpretations are most relevant to the association:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The association has adopted the revised Conceptual Framework from 1 January 2022. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the association's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The association has adopted AASB 1060 from 1 January 2022. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs.

Basis of Preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures and Interpretations of the Australian Accounting Standards Board, the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profits Commission Act 2012*, as appropriate for not-for-profit entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention except for the revaluation of financial assets at fair value through other comprehensive income.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)***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 association's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

(a) Revenue recognition

The association recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the association is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the association: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sales revenue

Revenue from the sale of goods is recognised at the point of sale or dispatch of goods to the customer. Revenue from rendering of a service is recognised upon the delivery of the service to the customer. Revenue from the provision of membership is recognised when the goods associated with the membership are collected by the member. Membership fees are not refundable.

Grants

Funding received from Deakin University is treated as grant revenue. Grant revenue is recognised in the statement of comprehensive income when the association satisfies its performance obligations relating to the funding in accordance with AASB 15. If conditions are attached to the grant which must be satisfied, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Grant revenue related to the funding of assets is presented in the Statement of Financial Position by deducting the grant in arriving at the carrying amount of the asset.

Interest

Interest revenue from at call accounts is recognised on receipt. Interest revenue from term deposits is recognised on an accruals basis using the fixed rate and term of the deposit. Investment income is recognised when the right to receive income has been established.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**(b) Income tax**

As the 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.

(c) 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 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 expected to be settled in the 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.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits held at call with financial institutions. Other bank deposits with original maturities of twelve months or less are not readily convertible to cash and are not included in cash and cash equivalents.

(e) Trade and other receivables

Trade and other receivables include amounts due from customers for goods and services sold in the ordinary course of business. Receivables are recognised at amortised cost less any allowance for expected credit losses. To measure the expected credit losses, receivables have been grouped based on days overdue.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**(f) Inventories**

Inventories held for sale and stock in transit are measured at the lower of cost and net realisable value. Cost comprises purchase costs, net of discounts received or receivable. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(g) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the association has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering all or part of a financial asset, its carrying value is written off.

Financial assets at fair value through other comprehensive income include equity investments which the association intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

(h) Property, plant, and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of plant and equipment over the asset's expected useful life as follows:

Plant & Equipment	2-20 years
Motor Vehicles	5 years

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

(i) Right-of-use assets

The association has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less, peppercorn leases and leases of low-value assets such as computer equipment. Lease payments on these assets are expensed to profit or loss as incurred.

(j) Intangible assets**Software**

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their life of 5 years.

Software-as-a-Service (SaaS)

SaaS arrangements are service contracts providing the association with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

(k) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or if events or changes in circumstances indicate that they might be impaired. Other 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.

(l) Trade and other payables

Trade and other payables represent the liabilities for goods and services provided to the association prior to the end of the financial year that remain 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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**(m) Employee benefits*****Short-term employee benefits***

Liabilities for wages and salaries, and entitlements to annual leave expected to be settled wholly within 12 months of the reporting date and long service leave where entitlement conditions have been met are measured at the amounts expected to be paid when the liabilities are settled.

Long-term employee benefits

The liability for long service leave where entitlement conditions have not yet been met are not expected to be settled within 12 months of the reporting date and 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. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using the Group of 100 Discount Rate in the Milliman Research Report December 2022.

(n) 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.

(o) 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 Australian Tax Office (ATO). 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 ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities are included in receipts from customers or payments to suppliers.

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.

Inventories

Assessment of the provision for impairment of inventories requires a degree of estimation and judgement. Consideration is given to the recent sales experience, the ageing of inventories, future plans and other factors that affect inventory obsolescence. Where inventories are considered slow moving but are not able to be returned to the supplier, the carrying amount is written down to its estimated recoverable amount by raising a provision for obsolescence.

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 is 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, estimates of attrition rates and pay increases have been taken into account.

	Note	2022 \$	2021 \$
NOTE 3: REVENUE			
Sales revenue:			
Sale of goods and services		734,108	576,105
Other revenue:			
Funding from Deakin University		4,935,175	4,888,219
Membership fees		426,860	365,034
Club grants & sponsorship		345,073	242,828
Interest income		62,789	35,831
Investment income from financial assets		119,984	87,542
Profit on sale of asset		-	13,991
JobKeeper payments		-	274,800
Other income		316	10,000
		5,890,197	5,918,245
Total Revenue		6,624,305	6,494,350

NOTE 4: EXPENSES

Surplus/(Deficit) for the year includes the following specific expenses:

Net (profit) loss on disposal of plant, and equipment	(12,581)	55,661
Low value and short-term lease payments	220,129	188,938
Superannuation expense	491,974	499,701

NOTE 5: CURRENT ASSETS – CASH AND CASH EQUIVALENTS

Cash on hand	-	5,748
Cash at bank – at call	677,336	946,036
	677,336	951,784



	Note	2022 \$	2021 \$
NOTE 6: CURRENT ASSETS - TRADE AND OTHER RECEIVABLES			
Trade receivables		38,036	32,481
Less Allowances for expected credit losses		(828)	-
		<u>37,208</u>	<u>32,481</u>
Other receivables			
GST refundable		40,095	55,909
Other receivables		46,039	27,525
		<u>86,134</u>	<u>83,434</u>
Total current trade and other receivables		<u>123,342</u>	<u>115,915</u>

NOTE 7: CURRENT ASSETS - INVENTORIES

Stocks held at cost		466,353	1,454,673
Less provision for obsolescence		(184,000)	(273,571)
		<u>282,353</u>	<u>1,181,102</u>
Stock in transit		-	36,016
Total inventories		<u>282,353</u>	<u>1,217,118</u>

NOTE 8: CURRENT ASSETS – FINANCIAL ASSETS

Term deposits with a maturity greater than 3 months and up to 12 months		4,001,274	4,049,189
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NOTE 9: CURRENT ASSETS - OTHER

Prepayments		90,740	134,422
Accrued income		48,491	27,912
		<u>139,231</u>	<u>162,334</u>

	Note	2022 \$	2021 \$
NOTE 10: NON-CURRENT ASSETS - FINANCIAL ASSETS			
Managed fund at fair value		2,658,909	2,815,656
Movements in Carrying Amounts			
Opening Balance		2,815,656	1,638,995
Additional investment		-	1,000,000
Fees		(23,300)	(19,153)
Investment income		105,770	83,367
Unrealised and realised gains		(239,217)	112,447
Closing Balance		2,658,909	2,815,656

The managed fund investment is measured and disclosed at fair value based on quoted prices in active markets for identical assets.

NOTE 11: NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

Plant and equipment - at cost	79,546	72,533
Less: Accumulated depreciation	(43,816)	(35,301)
	35,730	37,232
 Vehicles - at cost	 98,891	 130,680
Less: Accumulated depreciation	(62,523)	(65,527)
	36,368	65,153
Total Property, Plant and Equipment	72,098	102,385

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 are set out below:

	Plant & Equipment \$	Vehicles \$	Total \$
Balance at 1 January 2022	37,232	65,153	102,385
Additions	12,893	34,095	46,988
Disposals	(4,851)	(36,908)	(41,759)
Depreciation expense	(9,544)	(25,972)	(35,516)
Balance at 31 December 2022	35,730	36,368	72,098

	Note	2022 \$	2021 \$
NOTE 12: NON-CURRENT ASSETS – INTANGIBLES			
Website and software – at cost		177,595	177,595
Less: Accumulated amortisation		(87,069)	(55,974)
		90,526	121,621
NOTE 13: CURRENT LIABILITIES – TRADE AND OTHER PAYABLES			
Trade payables		33,042	135,279
Other payables and accrued expenses		50,656	143,124
Accrued wages		93,113	109,477
Employee PAYG withholding payable		149,531	97,826
Superannuation payable		144,900	142,862
		471,242	628,568
NOTE 14: CURRENT LIABILITIES – EMPLOYEE BENEFITS			
Time in lieu		1,287	-
Annual leave		217,374	250,512
Long service leave		405,853	498,105
		624,514	748,617
NOTE 15: CURRENT LIABILITIES – OTHER			
Funds held in trust		249,270	248,038
Deferred revenue		80,091	67,919
		329,361	315,957
NOTE 16: NON-CURRENT LIABILITIES – EMPLOYEE BENEFITS			
Long service leave		51,263	62,430

Provision for Long-term Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1.

	Note	2022 \$	2021 \$
NOTE 17: EQUITY - RESERVES			
Clubs profit reserve		417,937	502,686
Financial assets reserve		(65,687)	144,501
		<u>352,250</u>	<u>647,187</u>

The clubs profit reserve are funds set aside for future expansion of the association and its clubs.

The financial assets reserve is used to recognise increments and decrements in the fair value of the managed fund financial asset at fair value through other comprehensive income.

NOTE 18: KEY MANAGEMENT PERSONNEL DISCLOSURES

The aggregate compensation made to members of the Student Council, Campus Representatives, and other members of key management personnel of the association is set out below:

Aggregate compensation	<u>1,465,097</u>	<u>1,278,859</u>
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NOTE 19: AUDITORS' REMUNERATION

Remuneration of the auditor of the association for:

Auditing the financial report	<u>30,000</u>	<u>29,500</u>
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During the financial year the above fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the association.

NOTE 20: CONTINGENT LIABILITIES

Trust liabilities and right of indemnity

The association acts as trustee of the GAS Trust and expenses have been incurred on behalf of the trust in the association's capacity as trustee. To the extent that the trust is unable to meet any obligations, the trustee may be held liable. The association as trustee has a right to be indemnified out of trust assets for any obligation not met by the trust. The trust's assets and liabilities are shown at Note 24.

NOTE 21: CAPITAL & LEASING COMMITMENTS

In accordance with AASB 16, a right of use asset and a financial liability have not been recognised in the Statement of Financial Position for the lease of the Burwood Bookshop premises or administrative premises on all campuses as the leases in effect from 1 January 2022 and 1 January 2023 are either short-term with a duration of 12 months or less or low value peppercorn leases.

Lease payments associated with short term and low value leases are recognised as expenses in the Statement of Profit or Loss in the periods in which they are incurred.

	Note	2022 \$	2021 \$
--	------	------------	------------

NOTE 22: RELATED PARTY TRANSACTIONS**Key management personnel**

Disclosures relating to key management personnel are set out in Note 18.

Transactions with related parties

The following transaction occurred with key related parties:

Payment for motor vehicle from key management personnel	33,000	-
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There were no other transactions with related parties during the current and previous financial year. There were no trade receivables, trade payables or loans to or from related parties at the current and previous reporting date.

The transaction was made on normal commercial terms and conditions and at market rates.

NOTE 23: ECONOMIC DEPENDENCE

Although the association funds some of its activities from commercial undertakings and membership sales, the provision of student services is largely funded by Deakin University via Service Level Agreements. At the date of this report, the members of the Student Council had no reason to believe that Deakin University would not continue to provide financial support pursuant to these agreements.



	Note	2022 \$	2021 \$
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NOTE 24: TRUST INFORMATION

Deakin University Student Association Inc. acted as trustee of the GAS Trust for the whole of the financial year. Deductions from or disbursements of Trust Assets during the year related to grants made from Trust Assets. The financial information for the trust is presented below:

Statement of Comprehensive Income

Total revenue		2,341	634
Total expenses		(1,109)	762
Total comprehensive income		1,232	1,396

Statement of Financial Position**ASSETS**

Current assets:

Cash at bank		248,881	247,955
Trade and other receivables		389	83
TOTAL ASSETS		249,270	248,038
TOTAL LIABILITIES		-	-
NET ASSETS		249,270	248,038

NOTE 25: RECLASSIFICATIONS AND COMPARATIVE FIGURES

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements.

As a result, certain line items have been amended in the Statement of Profit or Loss and Other Comprehensive Income and in Note 18 to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

The items were reclassified or amended as follows:

	Note	Previously reported 2021 \$	After reclassification 2021 \$
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Statement of Profit or Loss and Other Comprehensive Income

Other expenses		(648,196)	(514,394)
Equipment expenses		-	(118,787)
Travel expenses		-	(15,015)

Equipment expenses and Travel expenses were reclassified from Other expenses due to their size in the current year.

	Note	Previously reported 2021 \$	After reclassification 2021 \$
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NOTE 25: RECLASSIFICATIONS AND COMPARATIVE FIGURES (Continued)**Note 18 Key Management Personnel Disclosures**

Aggregate compensation		1,088,748	1,278,859
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Aggregate remuneration of key management personnel for the prior year comparative has been increased from \$1,088,748 to \$1,278,859 to include remuneration of Campus Representatives following a review of the definition of Key Management Personnel.

	Note	2022 \$	2021 \$
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NOTE 26: DISCONTINUED OPERATIONS

During 2022 the difficult decision was made to close the remaining two DUSA bookshops as they were no longer financially viable. Trading ceased at the end of November 2022. Six staff were made redundant. All bookshop inventory was returned to suppliers, sold at discount prices, or written off against the provision for obsolete stock.

The revenue and expenses for the DUSA bookshops were as follows:

Revenue	1,479,754	1,841,309
Cost of sales	(1,325,584)	(1,264,070)
Employee benefits expense	(966,609)	(561,505)
Other expenses	(143,992)	(169,381)
Deficit for the year from discontinued operations	(956,431)	(153,647)

Financial Declaration by Members of the Student Council

We, Georgie Brimer and Jonathon De La Pena, being members of the Student Council of Deakin University Student Association Inc., declare that in our opinion -

- (a) the attached financial statements and notes comply with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*;
- (b) the financial statements and notes give a true and fair view of the association's financial position as at 31 December 2022 and of its performance for the financial year ended on that date; and
- (c) there are reasonable grounds to believe that Deakin University Student Association Inc. is able to pay all of its debts, as and when they become due and payable and

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Signed: _____

A handwritten signature in black ink, appearing to read "Georgie Brimer", written over a horizontal line.

Georgie Brimer, President

Dated: 21 April 2023

Signed: _____

A handwritten signature in black ink, appearing to read "Jonathan De La Pena", written over a horizontal line.

Jonathan De La Pena, General Secretary

Dated: 21 April 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Deakin University Student Association Inc

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Deakin University Student Association Inc (the registered entity), which comprises the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the Statement by Members of the Student Council.

In our opinion the accompanying financial report of Deakin University Student Association Inc, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) **Giving a true and fair view of the registered entity's financial position as at** 31 December 2022 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Simplified Disclosures 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 registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards **Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)** (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 responsible entities of the registered entity are responsible for the other information. The other **information obtained at the date of this auditor's report is information included in the** Student Council report, but does not include the financial report and our auditor's report thereon.

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 on the other information obtained prior to the date of this **auditor's report, 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 Members of the Student Council for the Financial Report

The Members of the Student Council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the ACNC Act, and for such internal control as they determine 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, Members of the Student Council are responsible for assessing the **registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

The Student Council **of the registered entity are responsible for overseeing the registered 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 (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd



Elizabeth Blunt
Director

Melbourne, 21 April 2023

DECLARATION OF INDEPENDENCE BY ELIZABETH BLUNT TO THE MEMBERS OF THE STUDENT
COUNCIL OF DEAKIN UNIVERSITY STUDENT ASSOCIATION INC.

As lead auditor of Deakin University Student Association Inc. for the year ended 31 December 2022, I
declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of section 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Elizabeth Blunt
Director

BDO Audit Pty Ltd

Melbourne, 21 April 2023