

Student Guild of Curtin University

2021 Financial Statements

Student Guild of Curtin University

2021 FINANCIAL STATEMENTS

CONTENTS

	<u>Page</u>
Financial Statements	
Statement by Guild Council	2
Auditor's Independence Declaration	3
Independent Auditor's Report	4
Statement of Profit or Loss and Other Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10 - 25

Student Guild of Curtin University

2021 FINANCIAL STATEMENTS

STATEMENT BY GUILD COUNCIL

In accordance with a resolution of the Council of the Student Guild of Curtin University we state that -

In the opinion of the Guild Council:

- (a) the Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash Flows are drawn up so as to give a true and fair view of the performance of the Guild for the year ended 31 December 2021;
- (b) the Statement of Financial Position is drawn up so as to give a true and fair view of the state of affairs of the Guild as at 31 December 2021;
- (c) the Guild has complied with the Australian Accounting Standards – Reduced Disclosure Requirements, the *Curtin University Act 1966* and the *Australian Charities and Not-for-Profits Commission Act 2012*, and
- (d) at the date of this statement there are reasonable grounds to believe that the Guild will be able to pay its debts as and when they fall due.

On behalf of the Guild Council



Theodora Rohl
President of the Student Guild of Curtin University



Dylan Botica
Secretary of the Student Guild of Curtin University

Dated this 28th day of March 2022

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SUBDIVISION 60-40 OF THE AUSTRALIAN CHARITIES
AND NOT-FOR-PROFITS COMMISSION ACT 2012
TO STUDENT GUILD OF CURTIN UNIVERSITY**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2021 there have been:

- i. no contraventions of the auditor's independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.



WEN-SHIEN CHAI
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 28th day of March 2022.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STUDENT GUILD OF CURTIN UNIVERSITY

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Student Guild of Curtin University (the Guild), which comprises the statement of financial position as at 31 December 2021, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes comprising a summary of significant accounting policies and statement by the Guild Council.

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

- i. giving a true and fair view of the Guild's financial position as at 31 December 2021 and of its performance and cash flows for the year then ended; and
- ii. complying with Australian Accounting Standards – Reduced Disclosure Requirements, *Curtin University Act 1966* 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 Guild in accordance with the independence requirements of Section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional Accountants 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 with the Code.

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

Responsibilities of the Guild Council for the Financial Report

The Guild Council is responsible for the preparation of this financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, *Curtin University Act 1966* and the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the Guild Council 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, the Guild Council is responsible for assessing the Guild'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 Guild Council either intends to liquidate the Guild or to cease operations, or has no realistic alternative but to do so.

The Guild Council is responsible for overseeing the Guild's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STUDENT GUILD OF CURTIN UNIVERSITY (CONTINUED)

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 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standard Board website at http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our audit report.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Section 60-45(3)(b) of the ACNC Act, in our opinion there are no deficiencies, failures or shortcomings in respect of the matters referred to in Section 60-30(3)(b), (c) or (d) of the ACNC Act.



WEN-SHIEN CHAI
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 28th day of March 2022.

Student Guild of Curtin University

2021 FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Revenue			
Sale of Goods		6,133,372	5,063,794
Rendering of Services		168,962	161,953
Rental Income		21,392	13,184
Finance Income		2,136	2,580
	2	6,325,862	5,241,511
Cost of Sales	3 (iv)	(2,432,527)	(1,947,167)
Gross Profit		3,893,335	3,294,344
Other Income	2	4,216,911	3,630,361
JobKeeper Income	2	426,030	2,467,170
Employee Benefits Expense		(5,673,892)	(5,314,935)
JobKeeper Top-up Payments *		(52,837)	(785,605)
Depreciation & Amortisation		(666,713)	(740,948)
Interest Expense on Lease Liability		(31,970)	(20,978)
Occupancy Expenses		(517,716)	(654,356)
Administrative Expenses		(459,715)	(413,508)
Finance Costs		(54,612)	(43,981)
Other Expenses	3(i)	(955,106)	(920,836)
Total Expenses		(8,412,561)	(8,895,147)
Profit from Continuing Operations		123,715	496,728
Net Profit for the Year		123,715	496,728
Other Comprehensive Income		0	0
Total Comprehensive Income for the Year	3 (ii)	123,715	496,728

* JobKeeper Top-up Payments were paid to employees to increase their wages to the level of JobKeeper income received.

The accompanying notes form part of these financial statements.

Student Guild of Curtin University

2021 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Current Assets			
Cash and cash equivalents	4	4,170,796	3,805,518
Trade and other receivables	5	197,274	368,919
Inventories	6	222,243	136,376
Other current assets	7	65,993	20,457
Total Current Assets		4,656,306	4,331,270
Non-Current Assets			
Property, plant and equipment	8	1,482,348	1,593,408
Right-of-use Assets	13	984,447	535,866
Total Non-Current Assets		2,466,795	2,129,274
Total Assets		7,123,101	6,460,544
Current Liabilities			
Trade and other payables	9	727,207	614,443
Lease Liabilities		276,351	277,701
Short-term provisions	10	710,397	773,903
Total Current Liabilities		1,713,955	1,666,047
Non-Current Liabilities			
Lease Liabilities		871,143	364,757
Long-term provisions	10	9,673	25,125
Total Non-Current Liabilities		880,816	389,882
Total Liabilities		2,594,771	2,055,929
Net Assets		4,528,330	4,404,615
Equity			
Retained Earnings		4,528,330	4,404,615
Total Equity		4,528,330	4,404,615

The accompanying notes form part of these financial statements.

Student Guild of Curtin University

2021 FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Retained Earnings \$	Total Equity \$
Balance at 1 January 2020	3,907,887	3,907,887
Total Comprehensive Income for the year	496,728	496,728
Balance at 31 December 2020	4,404,615	4,404,615
Balance at 1 January 2021	4,404,615	4,404,615
Total Comprehensive Income for the year	123,715	123,715
Balance at 31 December 2021	4,528,330	4,528,330

The accompanying notes form part of these financial statements

Student Guild of Curtin University

2021 FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Cash Flows from Operating Activities			
Receipts from students/customers		7,156,076	6,342,866
Receipts from SSAF		3,158,928	2,597,737
Receipts from the ATO		678,600	2,211,600
Interest Paid		(31,970)	(20,978)
Payments to suppliers and employees		(10,216,489)	(10,007,729)
Interest received	2	2,136	2,580
Net Cash Provided by Operating Activities		747,281	1,126,076
Cash Flows from Investing Activities			
Proceeds from sales of Assets		340	3,725
Purchase of property, plant and equipment	8 (i)	(309,708)	0
Net Cash Flows used in Investing Activities		(309,368)	3,725
Cash Flows from Financing Activities			
Repayment of Lease Liabilities		(72,635)	(55,596)
Net Cash Flows used in Financing Activities		(72,635)	(55,596)
Net Increase in Cash Held		365,278	1,074,205
Cash at beginning of financial year		3,805,518	2,731,313
Cash at end of Financial Year	4	4,170,796	3,805,518

The accompanying notes form part of these financial statements

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB), the Australian Charities and Not-for-profits Commission Act 2012 and the Curtin University Act 1966.

The Student Guild of Curtin University is a not-for-profit Guild for financial reporting purposes under Australian Accounting Standards. The Guild was established under the *Curtin University Act 1966* and related Statutes.

The following is a summary of the material accounting policies adopted by the Guild in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(a) Income Tax

No provision for income tax has been raised as the Guild is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(b) Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Finished goods – purchase cost on a first-in-first-out basis.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal (see Note 1(k) for further details).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Guild and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over their useful lives, commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Building Improvements – Other	Rate required based on Lease Terms
Furniture, Fittings and Equipment	10%-50%
Motor Vehicle	25%

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Property, Plant and Equipment (Cont'd)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

(d) Leases (for Lessee)

At inception of a contract, the Guild assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Guild where the Guild is a lessee. However, all contracts that are classified as short-term leases (ie a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Guild uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Guild anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Provisions

Provisions are recognised when the Guild has a legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(f) Employee Benefits

Short-term Employee Benefits

Provision is made for the Guild's obligation for short-term employee benefits for wages, annual leave and long service leave entitlements. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled, and are recognised as part of short-term provisions in the statement of financial position.

Long-term Benefits

The Guild classifies employees' long service leave as other long-term employee benefits, when they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Guild's obligation for other long-term employee benefits, which is measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense.

The Guild's obligations for long-term employee benefits are presented as long-term provisions in its statement of financial position, except where the Guild does not have an unconditional right to defer settlement.

(g) Cash and Cash Equivalents

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

(h) Revenue

Revenue from the sale of goods is recognised when control of the goods has transferred to the customer at the point of sale. Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. Revenue comprises the fair value of consideration received or receivable for the sale of goods or services.

Operating Grants

When the Guild receives operating grant revenue, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Revenue (Cont'd)

When both these conditions are satisfied, the Guild:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations the Guild:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (lease liability, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Guild recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital Grant

When the Guild receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The Guild recognises income in profit or loss when or as the Guild satisfies its obligations under terms of the grant.

Interest income is recognised using the effective interest method. Rental income is recognised on a straight line basis over the lease term.

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

(i) 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 Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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 ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Guild becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Guild commits itself to either the purchase or sale of the asset (ie trade date accounting is adopted).

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Financial Instruments (Cont'd)

Trade receivables are initially measured at the transaction price if the trade receivables do not contain significant financing component or if the practical expedient was applied as specified in AASB 15.63 (see Note 1(n) for further details).

Classification and subsequent measurement

Financial Liabilities

Financial liabilities are subsequently measured at amortised cost, using the effective interest method, or fair value, through profit and loss..

Financial asset

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit and loss

on the basis of the two primary criteria, being:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit or loss.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Financial Instruments (Cont'd)

Derecognition (Cont'd)

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Guild no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment

The Guild recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost or fair value through other comprehensive income. Loss allowance is not recognised for financial assets measured at fair value through profit or loss.

The Guild uses the simplified approach to impairment, as applicable under AASB 9. The simplified approach does not require tracking of changes in credit risk in every reporting period, but instead requires the recognition of lifetime expected credit loss at all times

This approach is applicable to trade receivables. In measuring the expected credit loss a provision matrix for trade receivables has been used, taking into consideration various data to get to an expected credit loss (ie diversity of its customer base, appropriate groupings of its historical loss experience, etc).

Recognition of expected credit losses in financial statements

At each reporting date, the Guild recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income. The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

As at 31st December 2021 the Guild has assessed all trade debtors and has taken up a minor provision for doubtful debts.

(k) Impairment of Non-Financial Assets

At the end of each reporting date, the Guild reviews the carrying values of its non-financial assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(m) Trade and Other Payables

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

(n) Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts receivable from customers for goods sold and services rendered in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(j) for further discussion on the determination of impairment losses.

(o) Critical Accounting Estimates and Judgements

The Guild evaluates, estimates and judgements that are incorporated into the financial statements, based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events that are based on current trends and economic data obtained both externally and within the Guild.

Key Estimates

(a) Useful lives of property, plant and equipment

The Guild reviews the estimated useful lives of plant and equipment at the end of each annual reporting period.

Key Judgements

(a) Performance obligations under AASB 15

To identify a performance obligation under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Critical Accounting Estimates and Judgements (Cont'd)

(b) Lease term and option to extend under AASB 16

The lease term is defined as the non-cancellable period of a lease together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are reasonably certain of being exercised is a key management judgement that the Guild will make. The Guild determines the likeliness to exercise on a lease-by-lease basis, looking at various factors such as which assets are strategic and which are key to the future strategy of the Guild.

(c) Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. As the Guild expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the following 12-month period, obligations for annual leave entitlements are classified under AASB 119 as other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

(p) New, Revised and Amended Accounting Standards and Interpretations not yet Mandatory or early Adopted

Australian Accounting Standards and interpretations that have been recently issued or amended but are not yet mandatory have not been early adopted by the Guild for the annual reporting period ended 31 December 2021. These standards are expected to have no impact on the Guild in the current or future reporting periods or on foreseeable future transactions.

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 2: REVENUE		2021	2020
		\$	\$
Revenue			
Trading Activities			
Catering	(a)	4,644,461	3,872,178
Retail	(a)	1,488,911	1,191,616
Total Trading Activities		6,133,372	5,063,794
Other Operating Activities			
Membership Income		168,962	161,953
Commercial Complex		21,392	13,184
Interest Revenue		2,136	2,580
Total Other Operating Activities		192,490	177,717
Total Revenue		6,325,862	5,241,511
Other Income			
Other Income Activities			
Catering		3,147	4,062
Retail		160,129	140,604
Student Services & Amenities Fee (SSAF)		3,158,928	2,480,046
University Grant		750,000	750,000
Net Gain from Sale of Assets		340	3,725
Income from Rental Abatement		144,367	151,924
Other (ATO Cashflow Boost)		0	100,000
Total Other Income		4,216,911	3,630,361
JobKeeper Income	(b)	426,030	2,467,170
Total Revenue		10,968,803	11,339,042

(a) In 2021 members received discounts of \$379,102 (2020: \$182,507). Revenue from trading activities is reported net of membership discounts.

(b) Due to the drop in revenue brought about by the COVID-19 pandemic, the Guild qualified for government support in the form of JobKeeper. This support finished in March 2021.

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 3: PROFIT / (LOSS) FROM ORDINARY ACTIVITIES	2021	2020
	\$	\$
(i) Other Expenses includes the following:		
Consumables	144,898	136,346
Equipment Purchases (a)	37,632	256,957
Equipment Repairs & Maintenance	98,782	70,335
Events	406,245	165,999
Grants	114,019	118,288
Other Expenses	93,820	92,040
Promotional Expenses	56,040	76,492
Travel & Conferences	3,670	4,379
Total Other Expenses	955,106	920,836
(a) In 2021 the capital threshold was raised, resulting in an increase of equipment purchases.		
(ii) Net Surplus / (Deficit) has been derived from the following:		
Administration	500,618	71,503
Representation Services	(269,551)	(76,130)
Student Services	161,520	361,469
Commercial	(268,872)	139,886
Operating Surplus / (Deficit) from operations	123,715	496,728
(iii) Disposal of Assets (included in Other Income)		
Net Gain on the Disposal of Other Assets:	340	3,725
Total Gain	340	3,725
(iv) Cost of Sales		
<i>Trading Activities</i>		
Catering	1,625,189	1,292,660
Retail	807,338	654,507
Total Cost of Sales	2,432,527	1,947,167

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 4: CASH AND CASH EQUIVALENTS	2021	2020
	\$	\$
Cash at Bank	4,157,841	3,780,259
Cash on Hand	12,955	25,259
	4,170,796	3,805,518

NOTE 5: RECEIVABLES	2021	2020
	\$	\$
Current		
Trade receivables	97,250	44,466
Other receivables	12,042	262,111
GST receivable	87,982	62,342
	197,274	368,919

NOTE 6: INVENTORIES	2021	2020
	\$	\$
At Cost		
Finished Goods	227,079	140,560
Provision for Obsolescence	(4,836)	(4,184)
	222,243	136,376

NOTE 7: OTHER CURRENT ASSETS	2021	2020
	\$	\$
Prepayments	65,993	20,457
	65,993	20,457

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 8: PROPERTY, PLANT & EQUIPMENT	2021	2020
	\$	\$
<i>Leasehold Land & Buildings Improvements</i>		
At Cost	8,410,656	8,296,274
Accumulated Amortisation	(7,176,900)	(6,845,437)
	1,233,756	1,450,837
<i>Furniture, Fittings & Equipment</i>		
At Cost	2,855,198	2,757,584
Accumulated Depreciation	(2,606,606)	(2,615,013)
	248,592	142,571
<i>Motor Vehicles</i>		
At Cost	38,210	38,210
Accumulated Depreciation	(38,210)	(38,210)
	0	0
Total Written Down Value	1,482,348	1,593,408

(i) Movement in Carrying Amounts

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

2021	Leasehold Land & Buildings Improvements	Furniture Fittings & Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Opening Balance	1,450,837	142,571	0	1,593,408
Additions	114,382	195,326	0	309,708
Disposals	0	0	0	0
Depreciation	(331,463)	(89,305)	0	(420,768)
Carrying Amount	1,233,756	248,592	0	1,482,348

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 9: PAYABLES		2021	2020
		\$	\$
Trade Payables	(a)	199,803	136,110
Sundry Accruals		46,030	43,299
Sundry Payables	(a)	481,374	435,034
		727,207	614,443

(a) Trade payables and sundry payables are financial liabilities at amortised cost (see Note 17).

NOTE 10: PROVISIONS

A provision has been recognised for employee benefits relating to annual and 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 upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1.

		2021	2020
		\$	\$
Employee Benefits		672,243	712,170
Other		47,827	86,857
		720,070	799,027
Current		710,397	773,902
Non Current		9,673	25,125
		720,070	799,027

NOTE 11: KEY MANAGEMENT PERSONNEL COMPENSATION		2021	2020
		\$	\$
The total remuneration paid to Key Management Personnel during the year are as follows:			
Short Term Employee Benefits		816,703	755,829
Long Term Employee Benefits		42,619	33,726
		859,322	789,555

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 12: EVENTS AFTER REPORTING PERIOD

The impact of the Coronavirus (COVID-19) pandemic is still ongoing and while it has been financially positive for the Guild up to 31 December 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the incorporated association's operations, the results of those operations, or the incorporated association's state of affairs in future financial years.

NOTE 13: RIGHT-OF-USE ASSETS

The Guild's lease portfolio includes leased buildings. The Guild has six signed leases with Curtin University; four leases covering the Commercial outlets which expire in 2025, and two Guild Head leases with peppercorn rent, that expire in 2027. These leases currently have an average of 3.7 years as their lease term.

Options to Extend or Terminate

The Guild signed an agreement with Curtin University in June 2021 which extends the Commercial leases to the end of 2025.

i) AASB 16 related amounts recognised in the Statement of Financial Position	2021	2020
	\$	\$
Right-of-use assets:		
Leased Buildings	1,722,273	991,251
Accumulated Amortisation	(737,826)	(455,385)
Total Right-of-use asset	984,447	535,866
Movement in carrying amounts:		
Leased Buildings:		
Opening Balance	535,866	763,558
Additions	694,526	0
Depreciation	(245,945)	(227,692)
Closing Balance	984,447	535,866
ii) AASB 16 related amounts recognised in the Statement of Financial Performance		
Depreciation charge related to right-of-use assets	245,945	227,692
Interest expense on lease liabilities	31,970	20,978

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 13: RIGHT-OF-USE ASSETS (CONT'D)

	2021	2020
	\$	\$
iii) Cash Outflow for Leases		
Lease payments for the year	77,118	76,469

NOTE 14: CONTINGENT LIABILITIES

The Guild has no contingent Liabilities.

NOTE 15: RELATED PARTY TRANSACTIONS

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with Related Parties

	2021	2020
	\$	\$
The following transactions occurred with Curtin University:		
Purchases of Goods & Services	571,197	296,978
Revenue for providing Goods & Services	4,323,894	3,585,624

The following balances are outstanding at the reporting date in relation to transactions with Curtin University:

Trade and other Receivables at 31 December	82,447	36,038
Trade and other Payables at 31 December	148,442	154,664
Interest Payable at 31 December	47,504	64,886
Lease Liabilities at 31 December	1,147,494	642,458

The key management personnel remuneration is disclosed in Note 11.

NOTE 16: CAPITAL COMMITMENT

The Guild had no capital Commitments at 31 December 2021.

Student Guild of Curtin University

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 17: FINANCIAL RISK MANAGEMENT	2021	2020
	\$	\$
Financial Assets at Amortised Cost:		
Cash and Cash Equivalents	4,170,796	3,805,518
Trade and Other Receivables	197,274	368,919
	4,368,070	4,174,437
Financial Liabilities at Amortised Cost:		
Trade and Other Payables	681,177	571,144
Lease Liabilities	1,147,494	642,458
	1,828,671	1,213,602

NOTE 18: GUILD REGISTERED OFFICE

The registered office of the Guild is:

Curtin University

Wadjuk Country

Building 106f

Kent St

Bentley, Western Australia