

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA**

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA**

**GENERAL PURPOSE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
Revenue			
Sale of Goods		4,481,164	3,697,966
Cost of Sales		(1,694,888)	(1,380,079)
Gross Profit		<u>2,786,276</u>	<u>2,317,887</u>
Student Services and Amenities Fee (the "SSAF") from University of Western Australia		3,727,064	3,171,103
Commission income		111,263	112,757
Rental - Property and Equipment income		594,838	564,777
Rebate Income	3(e)	22,541	12,682
Other income	3(b)	651,533	503,065
Administrative expenses	3(c)	(2,489,254)	(2,304,607)
Employee Benefits expense	3(d)	(5,436,550)	(4,835,252)
Profit/(Loss) before finance income/(expense)		<u>(32,289)</u>	<u>(457,588)</u>
Finance income	3(a)	477,295	50
Finance expense	3(a)	(16,620)	(109,891)
Net Profit/(Loss)		<u><u>428,386</u></u>	<u><u>(567,429)</u></u>
Other Comprehensive Income for the year		<u>-</u>	<u>-</u>
Total Comprehensive Income/(Loss) for the year		<u><u>428,386</u></u>	<u><u>(567,429)</u></u>

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
CURRENT ASSETS			
Cash and cash equivalents	14(a)	592,475	615,508
Trade and other receivables	4	755,519	612,995
Prepayments		153,262	102,495
Inventories	5	247,245	186,428
Other financial assets	8	3,484,076	2,756,831
TOTAL CURRENT ASSETS		<u>5,232,577</u>	<u>4,274,257</u>
NON-CURRENT ASSETS			
Property, plant and equipment	6	5,393,314	5,645,295
Intangible assets	6	-	2,025
Right-of-Use assets	7	-	12,828
Other financial assets	8	2,000,000	2,000,000
TOTAL NON-CURRENT ASSETS		<u>7,393,314</u>	<u>7,660,148</u>
TOTAL ASSETS		<u>12,625,891</u>	<u>11,934,405</u>
CURRENT LIABILITIES			
Trade and other payables	9	1,407,049	1,142,057
Provisions	10	747,297	689,779
Lease Liabilities		-	36,463
TOTAL CURRENT LIABILITIES		<u>2,154,346</u>	<u>1,868,299</u>
NON-CURRENT LIABILITIES			
Provisions	10	36,903	37,056
Payables	11	83,818	106,612
TOTAL NON-CURRENT LIABILITIES		<u>120,721</u>	<u>143,668</u>
TOTAL LIABILITIES		<u>2,275,067</u>	<u>2,011,967</u>
NET ASSETS		<u>10,350,824</u>	<u>9,922,438</u>
EQUITY			
Retained earnings	12	2,920,824	2,492,438
Reserves	13	7,430,000	7,430,000
TOTAL EQUITY		<u>10,350,824</u>	<u>9,922,438</u>

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

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and University of Western Australia		9,296,376	8,427,649
Grants received		88,690	42,164
Payments to Suppliers and Employees		(8,924,918)	(8,588,251)
Interest Received		50	50
Interest Paid		(16,620)	(4,782)
		<hr/>	<hr/>
Net Cash Provided by/(Used in) Operating Activities	14 (b)	<u>443,578</u>	<u>(123,170)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant, Equipment & Intangible Assets		(157,354)	(166,282)
		<hr/>	<hr/>
Net Cash Used in Investing Activities		<u>(157,354)</u>	<u>(166,282)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net (Deposits) / Withdrawals - Long and Short Term Pool		(250,000)	400,000
Net (Withdrawal) / Receipts of Funds Held in Trust		(22,794)	416
Lease payment		(36,463)	(12,017)
		<hr/>	<hr/>
Net Cash (Used In)/Provided by Financing Activities		<u>(309,257)</u>	<u>388,399</u>
NET (DECREASE)/INCREASE IN CASH HELD		(23,033)	98,947
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		615,508	516,561
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	14 (a)	<u><u>592,475</u></u>	<u><u>615,508</u></u>

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

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Retained Earnings	Reserves	Total Equity
	\$	\$	\$
Balance at 1 January 2023	2,492,438	7,430,000	9,922,438
Net Profit for the year	428,386	-	428,386
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Income for the year	<u>428,386</u>	<u>-</u>	<u>428,386</u>
Balance at 31 December 2023	<u><u>2,920,824</u></u>	<u><u>7,430,000</u></u>	<u><u>10,350,824</u></u>

	Retained Earnings	Reserves	Total Equity
	\$	\$	\$
Balance at 1 January 2022	3,059,867	7,430,000	10,489,867
Net Loss for the year	(567,429)	-	(567,429)
Other Comprehensive Income for the year	-	-	-
Total Comprehensive Loss for the year	<u>(567,429)</u>	<u>-</u>	<u>(567,429)</u>
Balance at 31 December 2022	<u><u>2,492,438</u></u>	<u><u>7,430,000</u></u>	<u><u>9,922,438</u></u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies that are material to the Guild of Undergraduates of University of Western Australia (the "Guild") are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Guild for the annual reporting period ended 31 December 2023. The Guild has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of Section 60.40 of the *Australian Charities and Not-For-Profits Commission Regulations 2022* and Australian Accounting Standards and Interpretations of the AASB and *the University of Western Australia Act 1911*.

Historical cost convention

The financial statements have been prepared under the historical cost convention, modified, where applicable, by the measurement at fair value of selected financial assets.

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 Guild's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, disclosed in note 2.

The financial report is presented in Australian dollars.

Revenue recognition

Revenue is measured based on the consideration to which the Guild expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Guild recognises revenue when it transfers control of a product or service to a customer.

Sale of Goods

Revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods that is, at the time of delivery of the goods to the customer. Payment of the transaction price is due immediately at the point the customer purchases the goods.

Interest

Revenue is recognised as the interest accrues.

**GUILD OF UNDERGRADUATES
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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SSAF

The Guild is entitled to 50% of SSAF from University of Western Australia. Revenue is recognised over time and is measured based on the consideration which the Guild expects to be entitled in the service level agreement with University of Western Australia.

Rebate Income

Rebate Income pertains to income received from third party suppliers based on the quantity of the suppliers' products that have been sold by the Guild. Rebate income is recognised in the period in which related products have been sold and the transfer of control of the products have been passed to the buyer. Transfer of control is considered passed to the buyer at the time of delivery of the products to the customer.

Grants

Grant revenue is recognised in profit or loss when the Guild satisfies the performance obligations stated within the funding requirements. Otherwise, when no performance obligations stated within the funding requirements, grant revenue is recognised on receipt. Grant revenue will be recognised on an accrual basis in the statement of financial position as a liability until those conditions are satisfied.

Other Income

Other income comprises all remaining sources of income for the Guild of Undergraduates and includes advertising income, and event income.

- Income from advertising and events is recognised in the period in which the service or goods have been delivered.

Volunteer Services

The Guild has elected not to recognise volunteer services as either revenue or other form of contribution received. As such, any related consumption or capitalisation of such resources received is also not recognised.

Income Tax

The Guild is an income tax-exempt organisation under Division 50 of the *Income Tax Assessment Act 1997*.

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

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

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

The Guild uses the simplified model for determining the impairment of trade receivables, under the lifetime expected credit loss ("ECL") model. The Guild writes off a trade receivable where there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Property, plant and equipment

Buildings occupancy and usage rights are stated at deemed cost less accumulated depreciation. This is upon the advice of the University of Western Australia as a result of the change of ownership status of Guild Village buildings in 2013.

Leasehold Improvements are measured at cost less accumulated depreciation .

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

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

Building & Usage Rights	20 years
Leasehold Improvements	40 years
Plant and Equipment	3-10 years
Furnitures and Fittings	3-10 years
Computers	2-5 years
Motor Vehicles	5 years

**GUILD OF UNDERGRADUATES
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Impairment

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the Statement of Profit or Loss.

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

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Profit or Loss in the period the item is derecognised.

Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Trade and other payables

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

Financial Assets

Financial Assets are allocated into two investment pools with The University of Western Australia. These Pools are referred to as Short Term or Long Term Pools. These investments, which form part of the University's investment portfolio, are classified as at fair value through profit or loss ('FVTPL'); where the fair value is determined to be market value applicable at reporting date. Interest income or expenses from changes in net market value are brought to account in the Statement of Profit or Loss in the period in which they occur.

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Inventories

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

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

- Raw materials: purchase cost on a first-in, first-out basis; and
- Finished goods and work-in-progress: cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

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

Provisions

Provisions are recognised when the Guild has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Guild expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Leases

Guild as lessee

The Guild assesses whether a contract is or contains a lease, at inception of the contract. The Guild recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Guild recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Guild uses its incremental borrowing rate.

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Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- 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
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Guild applies AASB 136 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, plant and equipment' policy.

Guild as lessor

The Guild enters into lease agreements as a lessor with respect to buildings at Guild Village.

Leases for which the Guild is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

**GUILD OF UNDERGRADUATES
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Going Concern

The financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. The members of the Guild Council consider the going concern basis to be appropriate for the following reasons;

- There are accessible cash reserves in the University of Western Australia Investment pool; and
- In October 2011, the Higher Education Legislation Amendment (Student Services and Amenities) Bill was passed. This legislation makes SSAF compulsory for enrolled students and The Guild is entitled to 50% of the SSAF collected from students. The Guild expects to receive its entitlement for the year ended 31 December 2024 (subject to Guild performance under the Service Level Agreement between the University and Guild).

The Guild continues to be reliant on SSAF fees from the University of Western Australia. In addition, the funds available in the University of Western Australia Investment pool is sufficient to allow the Guild to continue operations for the next 12 months of this report.

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 the 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 the sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Goods and Services Tax ("GST") and other similar taxes

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Guild's accounting policies, management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key areas of estimates and judgements used in preparation of the financial report:

Estimation of useful lives of assets

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

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Guild assess impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Guild and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Leases

The Guild has applied a number of judgments in assessing its leases against the criteria in AASB 16 *Leases* and calculating the rental income and rental receivables to be recognised. These judgments include the nature of the arrangement (existence of the right to control an asset), the defined lease term, lease collections and likely lease collection increases over the lease term. The judgments applied may change year on year if facts or circumstances change and AASB 16 *Leases* requires the change to be reflected in the lease calculation.

**GUILD OF UNDERGRADUATES
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
3. REVENUES AND EXPENSES		
a) Finance Income		
Investment income	477,245	-
Other interest income	50	50
	<u>477,295</u>	<u>50</u>
Finance Costs		
Investment loss	-	(105,109)
Other interest expense	(16,620)	(4,782)
	<u>(16,620)</u>	<u>(109,891)</u>
b) Other Income		
Advertising income	23,352	22,895
Orientation day income	88,279	79,564
Grant income	88,690	42,164
Service fee income	59,783	40,430
Sundry income	199,240	168,345
Other	192,189	149,667
	<u>651,533</u>	<u>503,065</u>
c) Administrative Expenses		
Depreciation	424,188	444,625
Activities	882,440	734,134
Other	1,182,626	1,125,848
	<u>2,489,254</u>	<u>2,304,607</u>
d) Employee benefits expense		
Salaries and wages	4,351,482	3,932,087
Workers compensation costs	44,912	31,512
Superannuation costs	627,651	540,461
Employee leave costs	412,505	331,192
	<u>5,436,550</u>	<u>4,835,252</u>
e) Rebate Income		
Catering rebates	22,541	12,682
	<u>22,541</u>	<u>12,682</u>

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023	2022
	\$	\$
4. TRADE AND OTHER RECEIVABLES		
Trade debtors	273,554	377,291
Less: Expected credit loss allowance	(33,846)	(98,538)
	<u>239,708</u>	<u>278,753</u>
Lease receivable accrued income	189,853	308,027
Sundry Debtors	325,958	26,215
	<u>515,811</u>	<u>334,242</u>
	<u>755,519</u>	<u>612,995</u>

Allowance for impairment loss

Trade receivables are non-interest bearing and are generally on 30-90 day terms. The Guild uses the simplified model for determining the impairment of trade receivables, under the lifetime expected credit loss ("ECL") model. In determining lifetime ECL, the Guild considers historical factors such as the probability of default of the individual debtors, the magnitude of the resultant loss, and the Guild's exposure at default. These are adjusted for forward looking assumptions and information regarding expected future conditions affecting historical customer default rates and consideration against a provision matrix based on various ageing profiles and probability of collection.

Movements in the provision for impairment loss were as follows:

	2023	2022
	\$	\$
At 1 January	98,538	52,212
Expected credit losses recognised on receivables	3,278	83,850
Amounts used during the period	(67,970)	(37,524)
At 31 December	<u>33,846</u>	<u>98,538</u>

At 31 December, the ageing analysis of trade receivables is as follows:

	Total	0-29	30-59	60-89	90 Days +
	\$	\$	\$	\$ PDNI*	\$ PDNI*
2023	273,554	102,628	32,897	26,162	111,867
2022	377,291	76,746	28,025	50,343	222,177

*Past due not impaired ('PDNI')

Receivables past due but not considered impaired are \$138,029 (2022: \$272,520). After year-end, an amount of \$73,806 has been received. Of the total outstanding amount, an amount of \$3,278 has been provided for as a bad debt at year end, this pertains to 365 Days + trade receivables and overdrawn Guild affiliated club balances. Payment terms on the remaining amounts considered recoverable have not been re-negotiated however credit has been stopped until full payment is made.

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Other balances within trade and other receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due.

	2023	2022
	\$	\$
5. INVENTORIES		
Finished Goods - At Cost	<u>247,245</u>	<u>186,428</u>
6. PROPERTY, PLANT, EQUIPMENT AND INTANGIBLE ASSETS		
Buildings and Usage Rights		
Guild Village Occupancy & Usage Rights - At Deemed Cost	2,563,735	2,563,735
Accumulated Depreciation	<u>(1,280,054)</u>	<u>(1,151,867)</u>
Total Building Rights	<u>1,283,681</u>	<u>1,411,868</u>
Building and Leasehold Improvements		
Hackett Hall Extension - At Cost	95,926	95,926
Improvements on Leasehold - At Cost	4,257,450	4,237,685
Work in Progress	<u>144,935</u>	<u>111,665</u>
	4,498,311	4,445,276
Accumulated Depreciation	<u>(764,330)</u>	<u>(654,635)</u>
Total Building and Leasehold Improvements	<u>3,733,981</u>	<u>3,790,641</u>
Plant and Equipment		
Plant and Equipment - At Cost	3,502,227	3,397,909
Accumulated Depreciation	<u>(3,126,575)</u>	<u>(2,955,123)</u>
Total Plant and Equipment	<u>375,652</u>	<u>442,786</u>
Total Property, Plant & Equipment	<u>5,393,314</u>	<u>5,645,295</u>
Intangible Assets		
Intangible Assets - At Cost	301,298	301,298
Accumulated Depreciation	<u>(301,298)</u>	<u>(299,273)</u>
Total Intangible Assets	<u>-</u>	<u>2,025</u>
Total Property, Plant, Equipment and Intangible Assets	<u>5,393,314</u>	<u>5,647,320</u>

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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.

Movements during the year	Buildings and Usage Rights 2023	Building and Leasehold Improvements 2023	Plant and Equipment 2023	Intangible Assets 2023	Total 2023
	\$	\$	\$	\$	\$
Beginning of the year	1,411,868	3,790,641	442,786	2,025	5,647,320
Additions	-	53,036	104,318	-	157,354
Depreciation Expense	(128,187)	(109,696)	(171,452)	(2,025)	(411,360)
End of the year	<u>1,283,681</u>	<u>3,733,981</u>	<u>375,652</u>	<u>-</u>	<u>5,393,314</u>

Movements during the year	Buildings and Usage Rights 2022	Building and Leasehold Improvements 2022	Plant and Equipment 2022	Intangible Assets 2022	Total 2022
	\$	\$	\$	\$	\$
Beginning of the year	1,540,055	3,863,060	479,983	21,477	5,904,575
Additions	-	36,794	129,488	-	166,282
Depreciation Expense	(128,187)	(109,213)	(166,685)	(19,452)	(423,537)
End of the year	<u>1,411,868</u>	<u>3,790,641</u>	<u>442,786</u>	<u>2,025</u>	<u>5,647,320</u>

Buildings on land owned by The University of Western Australia represent contribution by the Guild to the cost of buildings and improvements on land which the Guild has no equity.

**GUILD OF UNDERGRADUATES
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7. RIGHT-OF-USE ASSETS

The Guild leased one asset in 2020, the lease term being 3 years. The Guild has purchased the asset at the end of the lease term. The Guild's obligations are secured by the lessors' title to the leased assets for such leases.

	2023	2022
	\$	\$
Cost		
At 1 January and 31 December	<u>63,264</u>	<u>63,264</u>
Accumulated Depreciation		
At 1 January	(50,436)	(29,348)
Depreciation expense	<u>(12,828)</u>	<u>(21,088)</u>
At 31 December	<u>(63,264)</u>	<u>(50,436)</u>
Carrying Amount	<u><u>-</u></u>	<u><u>12,828</u></u>
Amounts recognised in profit and loss:		
Depreciation expense on right-of-use asset	12,828	21,088
Interest expense on lease liabilities	256	1,203

8. OTHER FINANCIAL ASSETS

CURRENT

Investment in The University of Western Australia Investments Pools	3,464,076	2,736,831
Term Deposit	20,000	20,000
Total Current Investment	<u><u>3,484,076</u></u>	<u><u>2,756,831</u></u>

NON-CURRENT

Investment in The University of Western Australia Investments Pools	<u><u>2,000,000</u></u>	<u><u>2,000,000</u></u>
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The Investment pool has the following investment mix (as a proportion of 100%) : Australian Equities - 22%, International Equities - 23%, Property - 12.5%, Global Infrastructure - 12.5%, Global Small Cap Equity - 2%, Emerging Markets Equity - 3%, Private Equity - 10%, Private Debt - 5%, Global Credit - 4%, Bond - 2%, Australian Inflation Plus - 3% and Cash - 1%.

**GUILD OF UNDERGRADUATES
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	2023	2022
	\$	\$
9. TRADE AND OTHER PAYABLES - CURRENT		
Trade Creditors	76,636	78,560
Other Creditors and Accruals	610,365	449,203
	<u>687,001</u>	<u>527,763</u>
Guild Affiliated Clubs and Societies*	720,048	614,294
	<u>720,048</u>	<u>614,294</u>
	<u>1,407,049</u>	<u>1,142,057</u>

*Funds held by the Guild on behalf of the Guild affiliated clubs and societies.

10. PROVISIONS

CURRENT

Provision for annual leave	287,521	285,302
Oncosts associated with annual leave	29,059	33,106
Provision for long service leave	208,182	190,814
Oncosts associated with long service leave	40,057	36,004
Provision for supplementary payment	108,691	77,271
Time off in lieu and special leave	73,787	67,282
Total Current Provisions	<u>747,297</u>	<u>689,779</u>

NON-CURRENT

Provision for long service leave	31,277	31,416
Oncosts associated with long service leave	5,626	5,640
Total Non-Current Provisions	<u>36,903</u>	<u>37,056</u>

11. PAYABLES - NON-CURRENT

Cruickshank Routley Prize Fund	12,450	11,550
Lillian Harris Fund	10,000	10,000
Bengt Annell Award Fund	2,200	2,200
Uni Camp For Kids	35,952	60,000
Prosh Charity	23,216	22,862
Total Non-Current Payables	<u>83,818</u>	<u>106,612</u>

**GUILD OF UNDERGRADUATES
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*Funds held by the Guild on behalf of the Guild trustors.

	2023	2022
	\$	\$
12. RETAINED EARNINGS		
Balance at start of financial year	2,492,438	3,059,867
Net Profit/(Loss) for the year	428,386	(567,429)
Balance at end of financial year	<u>2,920,824</u>	<u>2,492,438</u>

13. RESERVES

(a) General Reserve	7,430,000	7,430,000
	<u>7,430,000</u>	<u>7,430,000</u>

(b) Nature and purpose of reserves:

The General Reserve pertains to the surplus arising from prior years' operations.

14. NOTES TO THE STATEMENT OF CASH FLOWS

	2023	2022
	\$	\$
(a) Reconciliation of Cash and Cash Equivalents		
Cash and cash equivalents at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash and Cash Equivalents	<u>592,475</u>	<u>615,508</u>
(b) Reconciliation of Operating Profit to Net Cash provided by/(used in) Operating Activities		
Operating Profit/(Loss)	428,386	(567,429)
Depreciation	424,188	444,625
Interest (income)/loss from Investments	(477,245)	105,109
Changes in Assets and Liabilities:		
(Increase)/decrease in Trade debtors	39,045	(68,290)
(Increase)/decrease in Prepayments and Other debtors	(232,336)	99,262
Decrease in Inventories	(60,817)	(60,575)
(Decrease)/increase in Trade and other payables	264,992	(102,947)
Increase in Provisions	57,365	27,075
	<u>443,578</u>	<u>(123,170)</u>

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
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	2023	2022
	\$	\$
15. AUDITORS' REMUNERATION		
Audit of financial report		
Deloitte Touche Tohmatsu	-	30,000
Nexia Perth	21,000	-
	<u>21,000</u>	<u>-</u>

16. SEGMENT INFORMATION

The Guild operates within one industry segment being the provision of services to students. All operations are within Australia.

17. REMUNERATION OF GUILD EXECUTIVE AND DIRECTORS

Remuneration of Guild Executive reflects only remuneration paid to the Guild President; remuneration of Guild Directors refers to the Managing Director and the Finance Director. No other member of the Guild Executive receive any remuneration. The members of the Guild Executive are elected on an annual basis to serve on Guild Executive, which is responsible for the day to day decision making of the Guild of Undergraduates, University of Western Australia. The term of office begins on 1 December each year, and consequently there are two groups of Guild Executive during each financial year.

	2023	2022
	\$	\$
The total fees, salaries and other benefits excluding superannuation received or due and receivable by Guild Executive and Guild Directors for the financial year:	<u>472,381</u>	<u>468,727</u>

The number of members of Guild Management whose total fees and salaries and other benefits received or due and receivable for the financial year, falls within the following bands:

	2023	2022
\$0 - \$49,999	1	2
\$160,000 - \$169,999	1	1
\$200,000 - \$249,999	0	0
\$250,000 - \$299,999	1	1

	2023	2022
	\$	\$
18. SUPERANNUATION FUND CONTRIBUTION OF GUILD EXECUTIVES AND GUILD DIRECTORS		

In respect of members of Guild Executive and the Guild Directors, the following contributions were paid or became payable for the financial year.

Contributions to superannuation funds:	<u>84,879</u>	<u>81,697</u>
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**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Guild's principal financial instruments comprise receivables, payables, cash and cash equivalents and investments.

The Guild manages its exposure to key financial risks, including interest rate risk in accordance with the Guild's financial risk management policy. The objective of the policy is to support the delivery of the Guild's financial targets whilst protecting future financial security.

The following table combines information about:

- classes of financial instruments based on their nature and characteristics; and
- the carrying amounts of financial instruments.

Carrying Value					
	Financial Assets		Financial Liabilities		Total
	FVTPL- mandatorily measured	Amortised Cost	FVTPL- mandatorily measured	Amortised Cost	
31 December 2023					
Cash and Bank Balances	-	592,475	-	-	592,475
Trade and Other Receivables	-	755,519	-	-	755,519
Investments	5,484,076	-	-	-	5,484,076
Trade and Other Payables	-	-	-	(1,430,265)	(1,430,265)
Interest Bearing Funds	-	-	-	(60,602)	(60,602)
Total	5,484,076	1,347,994	-	(1,490,867)	5,341,203

	Financial Assets		Financial Liabilities		Total
	FVTPL- mandatorily measured	Amortised Cost	FVTPL- mandatorily measured	Amortised Cost	
31 December 2022					
Cash and Bank Balances	-	615,508	-	-	615,508
Trade and Other Receivables	-	612,995	-	-	612,995
Investments	4,756,831	-	-	-	4,756,831
Trade and Other Payables	-	-	-	(1,164,919)	(1,164,919)
Interest Bearing Funds	-	-	-	(83,750)	(83,750)
Lease Liabilities	-	(36,463)	-	-	(36,463)
Total	4,756,831	1,192,040	-	(1,248,669)	4,700,202

The main risks arising from the Guild's financial instruments are interest rate risk, price risk, credit risk and liquidity risk. The Guild uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and assessments of market forecasts for interest rate. Ageing analyses and monitoring of cash held with banks and specific credit allowances are undertaken to manage credit risk, and liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Strategic Resources Committee reviews and agrees on policies for managing each of these risks as summarised below.

**GUILD OF UNDERGRADUATES
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19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Primary responsibility for identification and control of financial risks rests with the Strategic Resources Committee under the authority of the Guild Council. The Strategic Resources Committee reviews and agrees on policies for managing each of the risks identified below, including the setting of limits for cash and short term deposits, credit allowances and future cash flow forecast projections.

Risk Exposures and Responses

Interest rate risk

The Guild's exposure to market interest relates primarily to the Guild's short term cash deposit at bank and interest bearing loans.

At balance date, the Guild had the following mix of financial assets and liabilities exposed to Australian variable interest rate risk that are not designated in cash flow hedges:

	2023	2022
	\$	\$
Financial Assets		
Cash and cash equivalents	592,475	615,508
	<u>592,475</u>	<u>615,508</u>
Financial liabilities		
Trusts - Interest bearing	60,602	83,750
Lease Liabilities	-	36,463
	<u>60,602</u>	<u>120,213</u>
Net exposure	<u>531,873</u>	<u>495,295</u>

The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date:

At 31 December 2023, if interest rates had moved, as illustrated in the table below, with all other variables held constant, profit would have been affected as follows:

Judgements of reasonably possible	Profit Higher/(Lower)	
Movements:	2023	2022
	\$	\$
+2%	10,637	9,906
-2%	(10,637)	(9,906)

Credit risk

Credit risk arises from the financial assets of the Guild, which comprise cash and cash equivalents and trade and other receivables. The Guild's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at reporting date is addressed in each applicable note.

**GUILD OF UNDERGRADUATES
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19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

The Guild trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Guild's policy to securitise its trade and other receivables.

It is the Guild's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer in accordance with parameters set by the Finance Committee. These risk limits are regularly monitored. In addition, receivables balances are monitored on an ongoing basis with the result that the Guild's exposure to bad debts is not significant.

There are no significant concentration of credit risk within the Guild and financial instruments are spread amongst a number of financial institutions to minimise the risk of default of counterparties.

For trade receivables, the Guild has applied the simplified approach in AASB 9 *Financial Instruments* to measure the loss allowance at lifetime ECL. The Guild determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Notes 4 include further details on the loss allowance for trade receivables.

The carrying amount of the Guild's financial assets at amortised cost as disclosed in note 8 best represents their respective maximum exposure to credit risk. The Guild holds no collateral over any of these balances.

Price risk

Equity price risk arises from the Guild's investment mix of equities and various financial instruments in an investment pool managed by University of Western Australia Financial Services. These funds are held for addressing any shortfall when they arise. The University of Western Australia Financial Services monitors the mix of equity securities in its investment portfolio based on market indices and has strict policies on the proportion of investment mixes that must be followed by investment managers. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the University of Western Australia Financial Services.

The primary goal of the University of Western Australia's investment strategy is to maximise investment returns for the University of Western Australia Guild. In accordance with this strategy certain investments are designated at fair value through profit or loss because their performance is actively monitored and they are managed on a fair value basis.

The Guild's investment pools subject to price risk are listed in the Australian and Overseas Stock Exchanges, and Property Trusts.

**GUILD OF UNDERGRADUATES
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19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

At reporting date, the Guild had the following financial assets exposed to equity price risks that are not designated in cash flow hedges:

	2023	2022
	\$	\$
Financial Assets		
Equity investments	5,464,076	4,736,831
Net exposure	<u>5,464,076</u>	<u>4,736,831</u>

The following sensitivity analysis is based on the price risk exposures in existence at the reporting date:

At 31 December 2023, if movements occur on the stock market, as illustrated in the table below, with all other variables held constant, profit would have been affected as follows:

Judgements of reasonably possible Profit Higher/(Lower)

Movements:

	2023	2022
	\$	\$
+15%	819,611	710,525
-15%	(819,611)	(710,525)

Liquidity risk

The Guild's objective is to maintain a balance between continuity of funding and flexibility through the use of its investment pools.

The table below reflects all contractually fixed pay-offs and receivables for settlement, repayment and interest resulting from recognised financial assets. Cash flows for financial assets and liabilities without fixed amount or timing are based on the conditions existing at 31 December 2023.

The remaining contractual maturities of the Guild's financial liabilities are:

	2023	2022
	\$	\$
6 months or less	772,031	652,607

Maturity analysis of financial assets and liability based on management's expectation.

The risk implied from the values shown in the table below reflects a balanced view of cash inflows and outflows. Trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant, equipment and investments in working capital e.g. inventories and trade receivables. These assets are considered in the Guild's overall liquidity risk. To monitor existing financial assets and liabilities as well as to enable an effective control of future risks, the Guild has established comprehensive risk reporting covering its business units that reflects expectations of management with regards to the expected settlement of financial assets and liabilities.

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

	≤6 mths \$	6-12mths \$	1-5 years \$	>5 years \$	Total \$
Year ended 31 December 2023					
Financial Assets					
Cash & cash equivalents	604,325	-	-	-	604,325
Investments	3,484,076	-	-	2,000,000	5,484,076
Trade & other receivables	755,519	-	-	-	755,519
	<u>4,843,920</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>6,843,920</u>
Financial Liabilities					
Trade & other payables	710,217	720,048	-	-	1,430,265
Interest bearing trust funds	61,814	-	-	-	61,814
	<u>772,031</u>	<u>720,048</u>	<u>-</u>	<u>-</u>	<u>1,492,079</u>
Net maturity	<u>4,071,889</u>	<u>(720,048)</u>	<u>-</u>	<u>2,000,000</u>	<u>5,351,841</u>
	≤6 mths \$	6-12mths \$	1-5 years \$	>5 years \$	Total \$
Year ended 31 December 2022					
Financial Assets					
Cash & cash equivalents	615,508	-	-	-	615,508
Investments	2,756,831	-	-	2,000,000	4,756,831
Trade & other receivables	612,995	-	-	-	612,995
	<u>3,985,334</u>	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>5,985,334</u>
Financial Liabilities					
Trade & other payables	550,625	614,294	-	-	1,164,919
Interest bearing trust funds	83,750	-	-	-	83,750
Lease Liabilities	18,232	18,231	-	-	36,463
	<u>652,607</u>	<u>632,525</u>	<u>-</u>	<u>-</u>	<u>1,285,132</u>
Net maturity	<u>3,332,727</u>	<u>(614,294)</u>	<u>-</u>	<u>2,000,000</u>	<u>4,700,202</u>

Fair value

Fair value for the financial instruments is considered to be equal to the carrying amounts in the Financial Statements.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

The financial assets and liabilities of the Guild are classified into these categories below:

Fair value hierarchy - 2023	Level 1	Level 2	Level 3	Total
Investment pools	-	5,464,076	-	5,464,076
Total	-	5,464,076	-	5,464,076

Fair value hierarchy - 2022	Level 1	Level 2	Level 3	Total
Investment pools	-	4,736,831	-	4,736,831
Total	-	4,736,831	-	4,736,831

There has been no transfers between Level 1 and Level 2 during the current and prior year.

Valuation techniques used to determine fair values

Other financial assets

Other financial assets are recorded at the redemption value as reported by the investment managers of The University of Western Australia Investments pools. The Fund may make adjustments to the value based on considerations such as; liquidity of the Investee Fund or its underlying investments, the value date of the net asset value provided, or any restrictions on redemptions and the basis of accounting.

20. INCORPORATION

The Guild is an incorporated body under *The University of Western Australia Act of 1911*, and is domiciled in Australia.

21. REGISTERED OFFICE

The registered office and principal place of business is 35 Stirling Highway, Crawley, Western Australia 6009.

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

22. PRINCIPAL ACTIVITIES

The principal activities of the Guild during the year have comprised of:

- a) The provision of representation to University of Western Australia students and to the wider community on educational, social and community issues on and off campus;
- b) The provision, facilitation, coordination and promotion of activities that would create a vibrant and progressive atmosphere on University of Western Australia campus;
- c) The provision of information and support services to students so that they may have access to experienced advocates to work on their behalf; and
- d) The provision of services in the areas of catering and sale of second hand books to students on campus.

23. CONTINGENCIES

In the opinion of management, the Guild as at 31 December 2023 did not have any significant contingent liabilities (2022: Nil)

24. EVENTS SUBSEQUENT TO BALANCE DATE

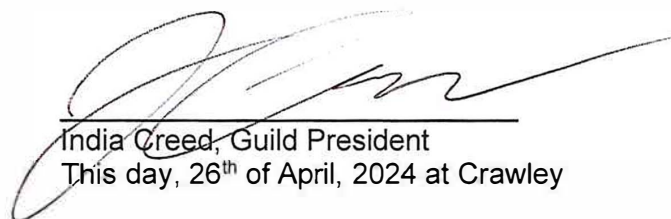
There has not been any matter or circumstance occurring subsequent to the end of financial year that has significantly affected, or may significantly affect, the operations of Guild, the results of those operations, or the state of affairs of the Guild in future financial years.

**GUILD OF UNDERGRADUATES
THE UNIVERSITY OF WESTERN AUSTRALIA
STATEMENT BY PRESIDENT
FOR THE YEAR ENDED 31 DECEMBER 2023**


In the opinion of the President of Guild of Undergraduates the University of Western Australia (the "Guild") and on behalf of the members of the Guild Council:

- a) The financial statements and notes of the Guild are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the *University of WA Act 1911*, including:
1. Giving a true and fair view of the Guild's financial position as at 31 December 2023 and of its performance for the financial year ended on that date; and
 2. Complying with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Regulations 2022*.
- b) There are reasonable grounds to believe that the Guild will be able to pay its debts as and when they become due and payable.

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



India Creed, Guild President
This day, 26th of April, 2024 at Crawley



Nikhita Talluri, Guild General Secretary
This day, 26th of April, 2024 at Crawley

Independent Auditor's Report to the Members of the Council – Guild of Undergraduates of the University of Western Australia

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Guild of Undergraduates of the University of Western Australia (the "Guild"), which comprises the statement of financial position as at 31 December 2023, 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 statements, including a summary of significant accounting policies, and Statement by President.

In our opinion, the accompanying financial report of the Guild 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 Guild's financial position as at 31 December 2023 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022* and the *University of WA Act 1911*.

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 ethical requirements of the Accounting Professional & 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 council members are responsible for the other information. The other information comprises the information in Guild's annual report for the year ended 31 December 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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.

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

Responsibilities of the Council Members for the Financial Report

The council members of the Guild are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the *Australian Charities and Not-for-profits Commission Act 2012* and the *University of WA Act 1911*, and for such internal control as the council members determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the council members are 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 council members either intend to liquidate the Guild or to cease operations, or have no realistic alternative but to do so.

The council members are responsible for overseeing the Guild'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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Guild's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council members.
- Conclude on the appropriateness of the council members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Guild's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered Guild to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the council members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

NPAS

Nexia Perth Audit Services Pty Ltd

Michael Fay

Michael Fay

Director

Perth

26 April 2024

To the Council Members of Guild of Undergraduates of the University of Western Australia

Auditor's Independence Declaration Under Subdivision 60-40 of the *Australian Charities And Not-For-Profits Commission Act 2012*

As lead auditor for the audit of the financial statements of Guild of Undergraduates of the University of Western Australia for the financial year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of under Subdivision 60-40 of the *Australian Charities and Not for Profit Commission Act 2012* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

NPAS

Nexia Perth Audit Services Pty Ltd

Michael Fay

Michael Fay

Director

Perth

26 April 2024

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