

Auckland University Students Association Incorporated
Consolidated Financial Statements
For the year ended 31 December 2017

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For the Year Ended 31st December 2017

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Auckland University Students Association Incorporated

Directory

As at 31st December 2017

Incorporation Number	221373
Charities Commission Registration Number	CC29797 (Registered 30 June 2008)
Foundation Date	24 June 1891
Nature of Trust	Education, Social Services, & Promotion of Volunteering
Members	Auckland University Students Association Incorporated The Kennedys Limited The AUSA Bar Trust The AUSA Property Trust The AUSA Media Trust University Bookshop Limited The UBS Trust Campus Radio BFM Limited
Registered Office	4 Alfred Street Auckland
Auditors	Walker Wayland Auckland Level 7, 53 Fort Street, Auckland 1010

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Compilation Report.*



walkerwayland

Walker Wayland Auckland

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Auckland University Students' Association (Incorporated) Group

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Auckland University Students' Association (Incorporated) ["the Group"] on pages 4 to 18, which comprise the Consolidated Statement of Financial Position as at 31 December 2017, and the Consolidated Statement of Comprehensive Revenue and Expenses and Consolidated Statement of Movements in Accumulated Funds and Consolidated Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Auckland University Students' Association (Incorporated) present fairly and are prepared, in all material respects, in accordance with Public Benefit Entity International Public Sector Accounting Standards as appropriate for Tier 2 Not-For-Profit Reduced Disclosure Regime.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Boards, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our firm has previously carried out additional services for Auckland University Student's Association (Incorporated) in the area of assistance to format the consolidated financial statements and the financial statements of controlled entities. This service has not impaired our independence as auditor. The firm has no other relationship with, or interest in, the Group.

Responsibilities of Those Charged with Governance for the Consolidated Financial Statements

The Executive is responsible on behalf of Auckland University Students' Association (Incorporated) for the preparation and fair presentation of the consolidated financial statements in accordance with Public Benefit Entity International Public Sector Accounting Standards as appropriate for Tier 2 Not-For-Profit Reduced Disclosure Regime, and for such internal control as those charged with governance determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Executive is responsible on behalf of the Group for assessing the Group'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 Executive either intends to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs (NZ) 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 these non-consolidated financial statements.

A further description of our responsibilities for the audit of these consolidated financial statements is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/>

This description forms part of our independent auditor's report.

Our audit was completed on 4 February 2019 and our unqualified opinion is expressed as at that date.

Walker Wayland Auckland
Chartered Accountants

Auckland University Students Association Incorporated

Approval of Performance Report

For the Year ended 31st December 2017

The Executive is pleased to present the approved financial report including the historical financial statements of Auckland University Students Association Incorporated for the year ended 31 December 2017.

APPROVED

For and on behalf of the Group;

AUSA President



Dated this 01 day of 02 20 19.

AUSA Vice Finance President



Dated this 01 day of 02 20 19.

The accompanying notes form part of these financial statements.

Auckland University Students Association Incorporated

Consolidated Statement of Comprehensive Revenue and Expenses

For the Year Ended 31st December 2017

	<i>GROUP</i> 2017	<i>GROUP</i> 2016
	\$	\$
REVENUE		
<u>Revenue from exchange transactions</u>		
Advertising Fees	261,170	266,673
Dividends Received	350	345
Interest Received	37,680	104,835
Rent Received	1,260,688	1,091,942
AUSA Student Services	320,060	156,221
Bar Sales	1,262,931	1,000,667
Book Sales	8,449,472	9,833,461
Campus Radio Sales & Services	102,663	49,789
Operating Expenses Recovered	134,945	82,102
Other Income	47,477	15,489
<u>Revenue from non-exchange transactions</u>		
Donations Received	36,184	15,520
Grants & Sponsorships	703,463	612,074
TOTAL REVENUE	<u>12,617,082</u>	<u>13,229,118</u>
DIRECT COSTS		
Bar Purchases	343,348	315,091
Book Purchases	5,829,063	6,928,217
AUSA Purchases	114,259	117,458
Campus Radio Purchases	112,549	130,004
Total	<u>6,399,220</u>	<u>7,490,769</u>
GROSS SURPLUS FROM TRADING	<u><u>\$6,217,862</u></u>	<u><u>\$5,738,349</u></u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Compilation Report.*

Auckland University Students Association Incorporated

Consolidated Statement of Comprehensive Revenue and Expenses

For the Year Ended 31st December 2017

	<i>GROUP 2017</i>	<i>GROUP 2016</i>
	<i>\$</i>	<i>\$</i>
Surplus from Trading	6,217,862	5,738,348
Less Expenses		
Administrative Costs	457,851	521,068
Audit Fees	63,710	47,876
Event Costs	423,611	129,357
Finance Costs	308,383	234,672
Other Expenses	640,143	522,421
Property & Building Costs	883,089	761,036
Repairs & Maintenance	65,476	99,706
Student Activities	169,466	134,313
Student Welfare	22,313	25,086
Wages & Salaries	3,295,049	2,934,100
Total Expenses	<u>6,329,092</u>	<u>5,409,637</u>
Net (Deficit)/Surplus Before Depreciation	<u>(111,230)</u>	<u>328,712</u>
Less Depreciation		
Depreciation as per Schedule	83,293	126,140
Depreciation - Loss on Sale	<u>2,418</u>	<u>5,687</u>
Net Depreciation Adjustment	85,711	131,828
TOTAL SURPLUS & COMPREHENSIVE INCOME	<u><u>(\$196,942)</u></u>	<u><u>\$196,884</u></u>

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Auckland University Students Association Incorporated

Consolidated Statement of Movements in Accumulated Funds

For the Year Ended 31st December 2017

	<i>Note</i>	<i>GROUP</i> 2017 \$	<i>GROUP</i> 2016 \$
ACCUMULATED FUNDS AT START OF YEAR		10,362,213	10,158,495
REVENUE			
Net Deficit for the Year		(196,942)	196,884
Total Recognised Revenues and Expenses for the Year		<u>(196,942)</u>	<u>196,884</u>
Transfer from (to) Student Welfare		(15,320)	6,834
		<u>(15,320)</u>	<u>6,834</u>
ACCUMULATED FUNDS AT END OF YEAR		<u><u>\$10,149,951</u></u>	<u><u>\$10,362,213</u></u>

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Auckland University Students Association Incorporated

Consolidated Statement of Financial Position

As at 31st December 2017

	<i>Note</i>	GROUP 2017 \$	GROUP 2016 \$
CURRENT ASSETS			
Cash and cash equivalents	6	2,925,816	2,988,109
Receivables from exchange transactions	13	689,263	587,919
Inventories	7	1,901,892	2,337,907
Investments	10	-	1,708,878
Total current assets		5,516,971	7,622,813
NON-CURRENT ASSETS			
Property, plant & equipment	8	10,310,868	6,608,890
Investments	10	-	29,481
Intangibles	9	132,052	132,052
Total non-current assets		10,442,920	6,770,423
TOTAL ASSETS		15,959,891	14,393,235
CURRENT LIABILITIES			
GST due for payment		93,099	41,256
Payables under exchange transactions	14	1,359,081	1,685,894
Employee Costs Payable	14	241,727	187,839
Total current liabilities		1,693,907	1,914,990
NON-CURRENT LIABILITIES			
Term liabilities	11	4,116,032	2,116,032
Total non-current liabilities		4,116,032	2,116,032
TOTAL LIABILITIES		5,809,939	4,031,022
NET ASSETS		\$10,149,951	\$10,362,213
Represented by:			
EQUITY			
Accumulated Funds		10,149,951	10,362,213
TOTAL EQUITY		\$10,149,951	\$10,362,213

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Auckland University Students Association Incorporated

Consolidated Cash Flow Statement

For the Year Ended 31st December 2017

	<i>Note</i>	<i>GROUP</i>	<i>2017</i>	<i>GROUP</i>	<i>2016</i>
		\$		\$	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts					
Cash Receipts from Goods and Services		10,413,806		11,207,078	
Interest, Dividends, and other investment receipts		38,030		105,180	
Rents Received		1,395,633		1,174,044	
Grants, Sponsorships and Donations Received		739,647		627,594	
Net GST refunds received		39,711		-	
		<u>12,626,827</u>		<u>13,113,895</u>	
Payments					
Supplier Payments		9,407,562		9,473,894	
Employee Costs		3,266,785		2,934,028	
Net GST paid to IRD		-		30,673	
		<u>12,674,346</u>		<u>12,438,595</u>	
Net Cash Inflow (Outflow) from Operating Activities		<u>(47,519)</u>		<u>675,300</u>	
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from Sale of Property, Plant and Equipment		16,348		6,490	
Purchase of Property, Plant and Equipment		(3,769,481)		(222,821)	
Purchase of Intangible assets		-		(132,052)	
Purchase of Investments		-		(12,212)	
Proceeds from Investments		1,738,359		-	
		<u>(2,044,254)</u>		<u>(360,596)</u>	
Net Cash Inflow (Outflow) from Investing Activities		<u>(2,014,774)</u>		<u>(360,596)</u>	
CASH FLOWS FROM FINANCING ACTIVITIES					
Loan Repayments		(2,116,032)			
Loan Advances		4,116,032		-	
Net Cash Inflow (Outflow) from Financing Activities		<u>2,000,000</u>		<u>-</u>	
NET INCREASE (DECREASE) IN CASH HELD		<u>(62,293)</u>		<u>314,705</u>	
Cash and cash equivalents as at 1 January 2017		2,988,109		2,673,404	
Cash and Cash Equivalents as at 31 December 2017	6	<u><u>2,925,816</u></u>		<u><u>2,988,109</u></u>	

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Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

1. STATEMENT OF ACCOUNTING POLICIES

Reporting entity

The reporting entity is the Auckland University Students Association Incorporated which is domiciled in New Zealand and is a charitable organisation registered under the Charities Act 2005.

The financial statements, comprising the Incorporated Society and its controlled entities, together "the Group", are presented for the year ended 31 December 2017.

The financial statements for the year ended 31 December 2017 were approved and authorised for issue on _____.

Statement of Compliance

The financial statements are prepared in accordance with Generally Accepted Accounting Practice in New Zealand ("NZ GAAP"). They comply with Public Benefit Entity International Public Sector Accounting Standards ("PBE IPSAS") and other applicable financial reporting standards as appropriate that have been authorised for use by the External Reporting Board for Not-For-Profit entities. For the purposes of complying with NZ GAAP, Auckland University Students Association Incorporated is a public benefit not-for-profit entity and is eligible to apply Tier 2 Not-For-Profit PBE IPSAS on the basis that it does not have public accountability and it is not defined as large.

The Executive has elected to report in accordance with Tier 2 Not-For-Profit PBE Accounting Standards and in doing so has taken advantage of all applicable Reduced Disclosure Regime ("RDR") disclosure concessions. This decision results in not preparing a Statement of Service Performance for both reporting periods.

Specific Accounting Policies

In the preparation of this Performance Report the specific accounting policies are as follows:

(a) Property, Plant & Equipment

The entity has the following classes of Property, Plant & Equipment;

Investment Properties	0% SL
Motor Vehicles	20% SL
Furniture & Fittings	10 - 33.34% SL
Office Equipment	10 - 48% SL
Plant & Equipment	2.5 - 36% SL

All property, plant & equipment, except for land and buildings, is stated at cost less depreciation.

Depreciation has been calculated using the rates calculated to allocate the cost of valuation of the asset less any estimated residual value over its remaining useful life.

(b) Intangibles

Intangible assets are initially recorded at cost and subsequently measured using the Cost model, being cost less accumulated amortisation and impairment.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied

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Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

in the specific asset in which it relates. All other expenditure including expenditure on internally generated goodwill and brand, is recognised in surplus or deficit.

Campus Radio BFM Limited, a Group entity, is a non commercial broadcaster and holds a radio license that is valid till 2 April 2031. It has a transmitter located at Skytower and covers the geographical area of Auckland Council including Rodney and Franklin wards. As this license is non-commercial, it cannot be sold to another broadcaster. The license was initially obtained by the entity at no cost and there is no ongoing fee to pay as license renewal.

(c) **Goods & Services Tax**

These financial statements have been prepared on a GST exclusive basis with the exception of accounts receivable and accounts payable which are shown inclusive of GST.

(d) **Taxation**

The Inland Revenue Department has granted the Association exemption from taxation on the condition that certain provisions of the Income Tax Act 2007 are met each year. These provisions require that the Association remains a Charitable Association and that no individual profits from the activities of the Association. Should the current charitable nature of the operation change, taxation may be payable on profits from trading operations with non-members.

(e) **Inventories**

Inventory is initially measured at cost and subsequently measured at the lower of cost, determined on a first-in-first out basis, and net realisable value.

Cost includes expenditure incurred in acquiring the inventories in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of selling expenses.

(f) **Investments**

Share investments in listed companies are stated at their fair value. Initially they are recorded at cost, and are then valued at market bid price at the Statement of Financial Position date in subsequent periods. Any gains or losses generated as a result of revaluation is recognised in the Statement of Financial Performance

Other investments are stated at cost less any amortisation. Amortisation is recognised in the Statement of Financial Performance.

(g) **Employee Benefits**

Short-term employee benefit liabilities are recognised when the Group has a legal or constructive obligation to remunerate employees for services provided with 12 months of reporting date, and is measured on an undiscounted basis and expensed in the period in which employment services are provided.

(h) **Operating Leases**

Operating leases are those which all the risks and benefits are substantially retained by the lessor. Operating lease payments are expensed in the periods the amounts are payable.

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Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

(i) **Cash and Cash Equivalents**

Cash and Cash Equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, other than those that are not held for the purpose of meeting short-term cash commitments, plus bank overdrafts. Bank overdrafts are shown on the balance sheet as current liabilities within short term borrowings.

(j) **Revenue from Exchange Transactions**

Sales of goods and services are recognised when they have been delivered and accepted by the customer.

(k) **Revenue from Non-Exchange Transactions**

Donations received are included in operating revenue. If particular conditions are attached to a donation that would require it to be repaid if these conditions are not met, then the donation is recorded as a liability until the conditions are satisfied.

Donated goods or services (other than donated assets) are not recognised.

Where significant donated assets are received with useful lives of 12 months or more, and the fair value of the asset is readily obtainable, the donation is recorded at the value of the asset obtained. Where the fair value of the asset is not readily obtainable, the donation is not recorded. Donated assets with useful lives less than 12 months are not recorded.

Grants received are included in operating revenue. If particular conditions are attached to a grant that would require it to be repaid if these conditions are not met, then the grant is recorded as a liability until the conditions are satisfied.

(l) **Receivables**

Receivables are stated at their estimated realisable value. Bad debts are written off in the year in which they are identified.

(m) **Significant Management Judgements**

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements:

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

Net realisable value of inventories

Net realisable value of inventories, having regard to inventory aging and assumptions as to future market conditions, and have estimated the necessary provision for obsolescence, in accordance

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Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

with accounting policy at Note 1 (e).

(n) **Going Concern**

These financial statements have been prepared on the basis that the Group is a going concern.

(o) **Financial Instruments - Financial Assets**

At initial recognition, the Group determines the classification of financial assets as either held at fair value, cost or amortised cost. Financial assets are measured initially at fair value, estimated at the transaction price less any associated transaction costs.

Amortised Cost

Includes assets where the Group intends to earn contractual cash flows in the nature of principal and interest payments. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

Cost

Equity instruments are classified as held at cost. Assets are stated at cost less any accumulated impairment loss. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired.

Fair Value

Financial assets not held at amortised cost or cost are held at fair value and include financial derivatives such as forward contracts and interest rate swaps. Assets are subsequently measured at fair value only when the fair value of the instrument can be reliably measured based on a quoted price for an identical asset in an active market. Where no active market price is available, the instrument shall be measured at the fair value for a prior year less any accumulated impairment loss.

Gains and losses are recognised in profit or loss for movements in the fair value of the assets and when the assets are derecognised.

(p) **Financial Instruments - Financial Liabilities**

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

2. **CONTINGENT LIABILITIES**

At balance date there are no known contingent liabilities (2016:\$0). Auckland University Students Association Incorporated has not granted any securities in respect of liabilities payable by any other party whatsoever.

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Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

3. RELATED PARTIES

Key management personnel remuneration:

The Group classifies its key management personnel into the following classes:

- Members of the governing body, being the Executive, Trustees and Company Directors
- Key Management Personnel

Members of the governing body are paid an honorarium or are paid sitting fees on an independent contractor basis.

Key management personnel are employed as employees of a group entity, on normal employment terms.

	2017		2016	
	Remuneration	Number of	Remuneration	Number of
	\$	individuals	\$	individuals
Members of governing body	181,901	23 People	189,970	30 People
Key Management Personnel	580,614	12 People	575,474	11 People
	<u>762,515</u>		<u>765,444</u>	

Related party transactions and outstanding balances with other entities in a group are disclosed in an entity's financial statements. Intragroup related party transactions and outstanding balances are eliminated in the preparation of consolidated financial statements for the group.

Mr Browne is a director of University Bookshop Limited and a director of the entity's accountants: Brownes CA Limited, who provided accounting services during the year totalling \$40,400 (2016: \$32,600).

Richard Kenneth Innes is a Director and Shareholder of Barak Investments Limited and a Trustee of the AUSA Property Trust.

During the year, the AUSA Property Trust purchased Property Management Services for \$29,187 (2016: \$19,210) and Leasing Commission of \$35,750 (2016: \$22,800) on normal trading terms from Barak Investments Limited.

AUSA Property Trust owes Barak Property Investments Ltd \$39,516 (2016: (\$1,407)) at balance date, being the net funds held for the rent and opex account.

John Brown is a Partner of Brown Partners Lawyers and a Trustee of The AUSA Property Trust. The AUSA Property Trust purchased legal services from Brown Partners Lawyers for \$16,988 (2016: \$9,193) on normal trading terms.

Stephen Grey is a director in Campus Radio BFM Limited. He is also a director in Chester Grey Accountants Limited which provides the accounting support function to Campus Radio BFM Limited. The amount invoiced during the year for accounting services was \$42,165 (2016: \$40,790). Balance owing to Chester Grey was \$11,727 (2016: \$3,909).

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Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

The elected 2016 year president of Auckland University Students Association Incorporated (AUSA) automatically serves as a member on the board of the University of Auckland. AUSA received rental income of \$621,491 (2016: \$621,491) from the University of Auckland. AUSA also paid rent to the University of Auckland for the use of 6 offices in the Old Choral Hall of \$33,465 (2016: \$33,465). AUSA had a trade debtor balance owing from the University of Auckland, of \$56,352 as at 31 December 2017 (2016: 56,352).

4. SECURITIES AND GUARANTEES

The Group had a Westpac Bank overdraft limit of \$35,000 at an interest rate of 10%p.a. and Business Mastercard credit limit of \$10,000 as at balance date.

5. CATEGORIES OF FINANCIAL ASSETS & LIABILITIES

The carrying amounts of financial instruments presented in the statement of financial position relate to the following categories of assets and liabilities:

	2017	2016
	\$	\$
Financial Assets		
Loans and Receivables:		
Cash & Cash Equivalents	2,925,816	2,988,109
Receivables through Exchange Transactions	611,886	529,971
Investments	-	<u>1,738,359</u>
	<u>3,537,702</u>	<u>5,256,439</u>
Financial Liabilities		
At amortised cost:		
Trade and Other Creditors	1,600,808	1,873,734
Term Liabilities	<u>4,116,032</u>	<u>2,116,032</u>
	<u>5,716,840</u>	<u>3,989,766</u>
6. CASH & CASH EQUIVALENTS		
Cash & Equivalents - AUSA Incorporated	429,695	245,737
Cash & Equivalents - AUSA Property Trust	223,852	101,440
Cash & Equivalents - The Kennedys Ltd & AUSA Bar Trust	299,564	164,980
Cash & Equivalents - UBS Trust & UBS Ltd	1,960,284	2,469,022
Cash & Equivalents - Campus Radio BFM Ltd	<u>12,421</u>	<u>6,930</u>
Cash and bank accounts	<u><u>2,925,816</u></u>	<u><u>2,988,109</u></u>

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Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

7. INVENTORIES

	2017	2016
	\$	\$
Inventories - Bookshop (On Hand)	1,719,290	2,151,011
Inventories - Bookshop (In Transit)	178,024	332,136
Inventories - Bar	2,398	2,580
Inventories - Campus Radio BFM	2,180	2,180
Provision for Stock Obsolescence	-	(150,000)
Total Inventories	<u>1,901,892</u>	<u>2,337,907</u>

Inventory Commitments

No inventories whatsoever are specifically and separately pledged as security for liabilities. Inventories are generally subject to retention of title clauses.

8. PROPERTY, PLANT & EQUIPMENT

	2017	2016
	\$	\$
Investment Properties		
At cost	10,432,528	6,822,118
Less accumulated depreciation	<u>(427,504)</u>	<u>(421,302)</u>
	<u>10,005,024</u>	<u>6,400,816</u>
Current year depreciation	<u>5,736</u>	<u>7,248</u>
	<u>5,736</u>	<u>7,248</u>
Motor Vehicles		
At cost	83,046	104,781
Less accumulated depreciation	<u>(73,327)</u>	<u>(71,566)</u>
	<u>9,719</u>	<u>33,215</u>
Current year depreciation	<u>5,238</u>	<u>6,745</u>
	<u>5,238</u>	<u>6,745</u>
Furniture & Fittings		
At cost	1,801,174	1,684,454
Less accumulated depreciation	<u>(1,596,885)</u>	<u>(1,600,219)</u>
	<u>204,289</u>	<u>84,235</u>
Current year depreciation	<u>45,393</u>	<u>80,130</u>
	<u>45,393</u>	<u>80,130</u>
Office Equipment		
At cost	680,484	650,030
Less accumulated depreciation	<u>(632,700)</u>	<u>(613,219)</u>
	<u>47,784</u>	<u>36,811</u>
Current year depreciation	<u>19,279</u>	<u>16,889</u>
	<u>19,279</u>	<u>16,889</u>

*The accompanying notes form part of these financial statements.
These financial statements should be read in conjunction with the attached Compilation Report.*

Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

Plant & Equipment

At cost	338,626	335,075
Less accumulated depreciation	(294,574)	(281,262)
	<u>44,052</u>	<u>53,813</u>

Current year depreciation	7,647	15,129
	<u>7,647</u>	<u>15,129</u>

Total Property, Plant & Equipment	<u>\$10,310,868</u>	<u>\$6,608,890</u>
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Total Depreciation for the year	<u>\$83,293</u>	<u>\$126,141</u>
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9. INTANGIBLES

Website Development	132,052	132,052
Total Intangibles	<u>132,052</u>	<u>132,052</u>

No amortisation occurred in the current year as the asset was not completed.

10. INVESTMENTS

Term Deposits Held

Current Investments:

BNZ Term Deposit - AUSA Property Trust 3019	Int Rate: 2.98%p.a.	-	169,751
BNZ Term Deposit - AUSA Property Trust 3020	Int Rate: 1.80%p.a.	-	1,539,127
Total		-	<u>1,708,878</u>

Non Current Investments:

ANZ Term Deposit - Campus Radio BFM Ltd	Int Rate: 0.50%p.a.	-	29,481
Total		-	<u>29,481</u>

11. TERM LIABILITIES

Term Liabilities, excluding finance leases, are detailed below along with the original term, security and interest rate as at balance date.

		2017	2016
		\$	\$
Term liabilities, excluding finance leases, at balance date:			
<u>BNZ Term Loan - 3017</u>	Int Rate: 4.98%p.a.	-	2,116,032
Secured over investment properties held			
<u>BNZ Term Loan - 3021</u>	Int Rate: 5.21%p.a.	2,116,032	-
Secured over investment properties held			

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Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

BNZ Term Loan - 3022	Int Rate: 5.21%p.a.	2,000,000	-
Secured over investment properties held			
		<u>4,116,032</u>	<u>2,116,032</u>
Repayable as follows:			
Greater than five years		4,116,032	2,116,032
Total		<u>4,116,032</u>	<u>2,116,032</u>

12. CAPITAL AND OPERATING LEASE COMMITMENTS

Capital Commitments

The Group had the following capital commitment:

Commitment	Explanation and Timing	2017 \$	2016 \$
Commitment to purchase property, plant and equipment	The board agreed to spending \$12,000 on refurbishing areas of the bar in January and February 2017.	-	12,000

Operating Lease Commitments

The future non-cancellable minimum lease payments of operating leases as lessee at reporting date are detailed as follows:

	2017 \$	2016 \$
Not later than one year	215,900	199,907
Later than one and not later than five years	<u>315,443</u>	<u>258,364</u>
Total Operating Lease Commitments	<u>531,343</u>	<u>458,271</u>

The Group has entered into a building lease on 4 October 2016, for a period of 43 months at a cost of \$80,055 per annum. The lease agreement holds rights or renewal until final expiry 30 April 2020.

Auckland University Students Association Incorporated

Notes to the Consolidated Financial Statements

For the Year Ended 31st December 2017

	2017	2016
	\$	\$
13. RECEIVABLES FROM EXCHANGE TRANSACTIONS		
Accounts Receivable	636,196	510,682
Other Receivable	(24,310)	19,290
Prepayments	<u>77,377</u>	<u>57,947</u>
	<u><u>689,263</u></u>	<u><u>587,919</u></u>
14. PAYABLES UNDER EXCHANGE AND NON EXCHANGE TRANSACTIONS		
	2017	2016
	\$	\$
Payables and deferred revenue under exchange transactions		
Accounts Payable	1,086,246	1,503,699
Employee Costs Payable	241,727	187,839
Other Liabilities	221,044	130,404
Income Received in Advance	<u>51,791</u>	<u>51,791</u>
	<u><u>1,600,808</u></u>	<u><u>1,873,734</u></u>

15. Events after the reporting date

The Executive and management are not aware of any other matters or circumstances since the end of the reporting period, not otherwise dealt with in these financial statements that have significantly or may significantly affect the operations of the Group.