

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 DECEMBER 2019**

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**

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**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 \$	2018 \$
<b>Income</b>			
Trading Revenue:			
Sales		477,063	439,603
Sales - Other		16,876	22,518
Other Income:			
Interest		7,792	9,493
University Funding		623,000	605,800
Profit on Asset Disposal		-	62,630
		<hr/>	<hr/>
<b>Total Income</b>		<b>1,124,731</b>	<b>1,140,044</b>
		<hr/>	<hr/>
<b>Expenditure</b>			
Cost of Sales		7,375	8,716
Financial Expenses		8,192	9,128
Employee Benefits Expense		712,420	659,751
Administration Expenses		251,137	272,500
Depreciation and Amortisation		83,690	69,492
Repairs and Maintenance		17,729	17,867
		<hr/>	<hr/>
<b>Total Expenditure</b>		<b>1,080,542</b>	<b>1,037,454</b>
		<hr/>	<hr/>
<b>Net Operating Result</b>		<b>44,188</b>	<b>102,590</b>
		<hr/>	<hr/>
<b>Other Comprehensive Income</b>			
Items that will not be subsequently reclassified to profit or loss		-	-
Items that will be subsequently reclassified to profit or loss when specific conditions are met		-	-
		<hr/>	<hr/>
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
		<hr/>	<hr/>
<b>Total Comprehensive Income for the year</b>		<b>44,188</b>	<b>102,590</b>
		<hr/>	<hr/>

The Statement of Profit Or Loss and Other Comprehensive is to be read in conjunction with the  
Notes to the Financial Statements for the year ended 31 December 2019

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31 DECEMBER 2019**

	Note	2019 \$	2018 \$
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	874,433	898,482
Trade and Other Receivables	3	176,948	171,505
Inventories	4	1,591	2,346
Loan Receivable	5	-	100,000
Other Assets	6	13,584	-
		<hr/>	<hr/>
<b>Total Current Assets</b>		<b>1,066,556</b>	<b>1,172,333</b>
<b>NON CURRENT ASSETS</b>			
Plant and Equipment	7	692,858	676,968
		<hr/>	<hr/>
<b>Total Non-Current Assets</b>		<b>692,858</b>	<b>676,968</b>
		<hr/>	<hr/>
<b>Total Assets</b>		<b>1,759,414</b>	<b>1,849,301</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	170,333	203,758
Provisions	9	164,271	158,108
		<hr/>	<hr/>
<b>Total Current Liabilities</b>		<b>334,604</b>	<b>361,866</b>
<b>NON CURRENT LIABILITIES</b>			
Non-Current Provisions	9	10,774	9,467
		<hr/>	<hr/>
<b>Total Non-Current Liabilities</b>		<b>10,774</b>	<b>9,467</b>
		<hr/>	<hr/>
<b>Total Liabilities</b>		<b>345,378</b>	<b>371,333</b>
<b>NET ASSETS</b>			
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>1,414,036</b>	<b>1,477,968</b>
<b>EQUITY</b>			
<b>Retained profits</b>		<b>1,414,036</b>	<b>1,477,968</b>
		<hr/>	<hr/>

The Statement of Financial Position is to be read in conjunction with the  
Notes to the Financial Statements for the Year Ended 31 December 2019

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 \$	2018 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers		1,241,454	1,029,797
Interest		7,792	9,493
Payments to Suppliers		(438,766)	(431,983)
Payments to Employees		(704,949)	(638,814)
		<hr/>	<hr/>
<b>Net Cash Provided/(Used in) Operating Activities</b>	<b>10</b>	<b>105,531</b>	<b>(31,507)</b>
		<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets		100,000	109,034
Payments for Plant and Equipment		(229,580)	(115,902)
		<hr/>	<hr/>
<b>Net Cash Provided/(Used in) Investing Activities</b>		<b>(129,580)</b>	<b>(6,868)</b>
		<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Net Cash Provided/(Used in) Financing Activities</b>		<b>-</b>	<b>-</b>
		<hr/>	<hr/>
<b>Net Increase/(Decrease) in cash held</b>		<b>(24,049)</b>	<b>(38,375)</b>
<b>Cash at beginning of financial year</b>		<b>898,482</b>	<b>936,857</b>
		<hr/>	<hr/>
<b>Cash at end of financial year</b>		<b>874,433</b>	<b>898,482</b>
		<hr/>	<hr/>

The Statement of Cash Flows is to be read in conjunction with the  
Notes to the Financial Statements for the Year Ended 31 December 2019

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**

**STATEMENT OF CHANGES IN EQUITY  
FOR YEAR ENDED 31 DECEMBER 2019**

	Note	Retained Earnings \$	Total \$
<b>Balance at 31 December 2017</b>		1,375,378	1,375,378
<b>Net Operating Result</b>		102,590	102,590
<b>Other Comprehensive Income</b>		-	-
		<hr/>	<hr/>
<b>Balance at 31 December 2018</b>		<b>1,477,968</b>	<b>1,477,968</b>
		<hr/>	<hr/>
<b>Adjustment to Opening Retained Earnings on adoption of AASB 15</b>	1(l)	(108,121)	(108,121)
<b>Revised Balance as at 31 December 2018</b>		1,369,848	1,369,848
<b>Net Operating Result</b>		44,188	44,188
<b>Other Comprehensive Income</b>		-	-
		<hr/>	<hr/>
<b>Balance at 31 December 2019</b>		<b>1,414,036</b>	<b>1,414,036</b>
		<hr/>	<hr/>

The Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements for the year ended 31 December 2019

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2019****1 STATEMENT OF ACCOUNTING POLICIES**

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 1985 (SA)*. The Board of Management has determined that the Association is not a reporting entity and a not-for-profit entity for financial reporting purposes.

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

The mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

**(a) Revenue Recognition***Revenue from contracts with customers*

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

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019****1 STATEMENT OF ACCOUNTING POLICIES (CONT)****(a) Revenue Recognition (Cont)***Grants*

Grant revenue is recognised in profit or loss when the Association satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the Association is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Other revenue*

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

**(b) Leases**

The Association's use of facilities and properties is a concessional lease arrangement under AASB 16 Leases which permits the Association to measure the right-of-use asset at cost rather than at its fair value. This results in no right of use asset or lease liability being recognised for the Association.

**(c) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of the amount of GST receivable or payable. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from the ATO are presented as operating cash flows and included in the receipts from customers or payments to suppliers. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.



**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019 (CONT)**

**1 STATEMENT OF ACCOUNTING POLICIES (CONT)**

**(d) Income Tax**

Flinders Campus Community Services Inc is exempt from income tax under section 50-5 of the *Income Tax Assessment Act 1997*.

**(e) Cash and Cash Equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

A portion of cash and cash equivalents is held in trust on behalf of the association by the Flinders University of South Australia. The association has unlimited access to these funds and receives the full benefit of any interest earned on these amounts.

**(f) Trade and Other Receivables**

Trade and other receivables include amounts due from customers for goods and services provided in the ordinary course of business and any outstanding grant receipts and commissions. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. Receivables are initially recognised at fair value in accordance with note 1(a) Revenue and subsequently measured at amortised cost using the effective interest method whereby the initial amount is adjusted by discounting the cash flows of the expected receipts through the expected collection period with any adjustment in the balance being recognised in the profit or loss.

The carrying value is reduced for any provision for impairment through a separate allowance account where there is objective evidence that indicates that the full amount may not be received and expected credit losses. Expected credit losses are the probability-weighted estimate of credit losses over the expected life of the receivable. A credit loss is the difference between all contractual cash flows that are due, and all cash flows expected to be received, all discounted at the original effective interest rate of the receivable.

The Association uses the simplified approach to impairment, which does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. At each reporting date, the Association recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income. If it is established that the carrying amount cannot be recovered the written-off amounts are charged to the allowance account, or the carrying amount is reduced directly if no impairment amount was previously recognised in the allowance account.

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019 (CONT)**

**1 STATEMENT OF ACCOUNTING POLICIES (CONT)**

**(g) Inventories**

Inventories are measured at the lower of cost and net realisable value. Any excess of the inventories cost over the net realisable value, which is the estimated selling price less estimated extra costs to make the sale are recognised immediately in profit or loss.

**(h) Plant and Equipment**

Plant and equipment are carried at cost less, where applicable, any accumulated depreciation and impairment losses. The depreciable amount of all plant and equipment is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use. The depreciation rates for plant and equipment is between 2% and 33.33%. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

At the end of each reporting period, the Association reviews the carrying amounts of the plant and equipment to determine whether there is any indication that those assets have been impaired. If such an indication exists the carrying amount of the asset is compared to the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised immediately in profit or loss.

**(i) Trade and Other Payables**

Trade and other payables represent the liabilities for goods and services received by the association that remain unpaid at the end of the reporting period. The balance is recognised as a current liability. If the association has an unconditional right to defer payment of the liability beyond 12 months of the end of the reporting period then the payables are classified as non-current liabilities. Payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method whereby the initial amount is adjusted by discounting the cash flows of the expected payments through the expected payment period with any adjustment in the balance being recognised in the profit or loss.

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019 (CONT)**

**1 STATEMENT OF ACCOUNTING POLICIES (CONT)**

**(j) Provisions**

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**(k) Employee Benefits**

Employee benefits are all forms of consideration given to employees in exchange for services rendered. Provision is made in respect of the liability for Annual Leave and Long Service Leave at balance date and measured at the amounts expected to be paid when the liability is settled. Long Service Leave is provided for all employees who have reached 5 years of service. Long Service Leave provided for employees with 7 or more years of service is classified as a current liability as the association does not have a right to defer payment of these balances. However, it is not expected that all of these amounts will be payable in the next 12 months.

**(l) Impact of Adoption of New Accounting Standards**

AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 1058 Income for Not-For-Profit Entities were adopted as at 1 January 2019 using the modified retrospective approach and as such comparative figures have not been restated.

The impact of the adoption of AASB 15 has changed the treatment of recognising revenue from membership subscriptions. Previously this revenue was recognised at the time of receipt. Since the adoption of AASB 15, this revenue has been recognised as the contract's performance obligations are being satisfied. The impact of this change has resulted in the recognition of Income Received in Advance as at 1 January 2019 as an adjustment to Opening Retained Earnings of \$108,121 and the recognition of Income Received in Advance as at 31 December 2019 of \$117,881 in trade and other payables.

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019 (CONT)**

	2019 \$	2018 \$
<b>2. CASH AND CASH EQUIVALENTS</b>		
BankSA Cheque Account	517,113	601,421
Flinders University of SA	357,020	296,761
Cash Floats and Petty Cash	300	300
	<hr/>	<hr/>
	874,433	898,482
	<hr/>	<hr/>
<b>3. TRADE AND OTHER RECEIVABLES</b>		
<b>Current</b>		
Accounts Receivable	177,248	171,705
Less: Allowance for expected credit losses	(300)	(200)
	<hr/>	<hr/>
	176,948	171,505
	<hr/>	<hr/>
<b>4. INVENTORIES</b>		
Sports Retail	1,591	2,346
	<hr/>	<hr/>
	1,591	2,346
	<hr/>	<hr/>
<b>5. LOAN RECEIVABLE</b>		
Subway Finance Loan	-	100,000
	<hr/>	<hr/>
	-	100,000
	<hr/>	<hr/>
<b>6. OTHER ASSETS</b>		
Prepayments	13,584	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019 (CONT)**

	2019 \$	2018 \$
<b>7. PLANT AND EQUIPMENT</b>		
Plant and Equipment at cost	1,257,090	1,222,580
Less: Accumulated Depreciation	(564,232)	(545,612)
	<hr/>	<hr/>
	692,858	676,968
	<hr/>	<hr/>
<b>8. TRADE AND OTHER PAYABLES</b>		
<b>Current</b>		
Trade Creditors	2,871	931
Accruals	15,500	36,205
Income Received in Advance	117,881	-
GST Payable (net)	11,790	16,449
Visa Clearing	245	(169)
PAYG Payable	10,591	9,741
Payroll Tax Payable	2,740	2,123
Workcover Payable	683	529
Superannuation Payable	8,031	7,949
Flinders Uni Subway Fit-out Reimbursement	-	130,000
	<hr/>	<hr/>
	170,333	203,758
	<hr/>	<hr/>
<b>9. PROVISIONS</b>		
<b>Current</b>		
Annual Leave	30,000	38,266
Long Service Leave	134,271	119,842
	<hr/>	<hr/>
	164,271	158,108
	<hr/>	<hr/>
<b>Non-Current</b>		
Long Service Leave	10,774	9,467
	<hr/>	<hr/>

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019 (CONT)**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>10. CASH FLOW INFORMATION</b>		
Reconciliation of cash flows from operations with profit from ordinary activities.		
Net Operating Result	44,188	102,590
Adjustments for:		
Depreciation and Amortisation	83,690	69,493
Loss / (Profit) on Asset Disposal	-	(62,630)
Subway Fit-out Payment	130,000	-
Opening Retained Earnings on Adoption of AASB 15	(108,121)	-
Changes in Assets and Liabilities:		
Decrease/ (Increase) in Trade and Other Receivables	(5,443)	(159,450)
Decrease/ (Increase) in Inventories	755	317
Decrease/ (Increase) in Other Assets	(13,584)	5,209
Increase/ (Decrease) in Trade and Other Payables	(33,425)	(7,973)
Increase/ (Decrease) in Provisions	7,471	20,937
	105,531	(31,507)
Net Cash Provided/(Used in) Operating Activities	105,531	(31,507)

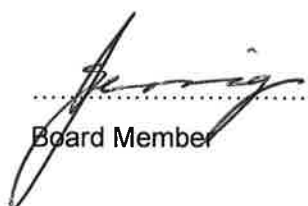
**FLINDERS UNIVERSITY SPORT AND FITNESS INC.**

**STATEMENT BY THE BOARD**

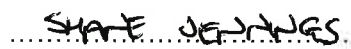
In the opinion of the Board of Flinders University Sport and Fitness Incorporated:


1. The accompanying Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and Notes to the Financial Statements satisfy the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including giving a true and fair view of the financial position of Flinders University Sport and Fitness Inc as at 31 December 2019 and the result of its operations for the year ended on that date in accordance with the accounting policies described in Note 1 to the Financial Statements; and
2. At the date of this statement, there are reasonable grounds to believe that Flinders University Sport and Fitness Inc will be able to pay its debts as and when they become due and payable.

Signed in accordance with the resolution of the Board.

  
.....  
Board Member

  
.....  
Board Member

  
.....  
Name of Signatory

  
.....  
Name of Signatory

Dated this 26 day of February 2020

**FLINDERS UNIVERSITY SPORT AND FITNESS INC.  
REPORT BY THE BOARD**

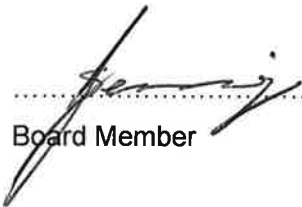
In accordance with Section 35(5) of the *Associations Incorporation Act 1985 (SA)*, the Board of Flinders University Sport and Fitness Inc hereby states that during the financial year ended 31 December 2019.

- 1. (a) no officer of Flinders University Sport and Fitness Inc;
- (b) no firm of which an officer is a member; and
- (c) no body corporate in which an officer has a substantial financial interest;

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and Flinders University Sport and Fitness Inc except as disclosed in the Notes to the Financial Statements; and

- 2. No officer of Flinders University Sport and Fitness Inc has received directly or indirectly from Flinders University Sport and Fitness Inc any payment or other benefit of a pecuniary value.

Signed in accordance with a resolution of the Board.

  
 .....  
 Board Member

  
 .....  
 Board Member

SHANE JENNINGS  
 .....  
 Name of Signatory

CLARE POLLOCK  
 .....  
 Name of Signatory

Dated this 24 day of February 2020



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FLINDERS UNIVERSITY SPORT AND FITNESS INC**

**Opinion**

We have audited the financial report of Flinders University Sport and Fitness Inc ("FUSF") which comprises the Statement of Financial Position as at 31 December 2019, 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, Notes to the Financial Statements, including a summary of significant accounting policies, and the Statement by Board of Management.

In our opinion the accompanying financial report of Flinders University Sport and Fitness Inc is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*; including:

- (i) giving a true and fair view of FUSF's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 to the financial report and the *Australian Charities and Not-for-profits Commission Regulations 2013*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of FUSF in accordance with the independence requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report. 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.

**Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Board's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

**Other Information**

The Board is responsible for the other information. The other information comprises the Report by Board of Management for the year ended 31 December 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FLINDERS UNIVERSITY SPORT AND FITNESS INC (CONT)**

**Other Information (cont)**

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

**Board Responsibility for the Financial Report**

The Board of Flinders University Sport and Fitness Inc is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards to the extent described in Note 1 to the financial report and the *Australian Charities and Not-for-profits Commission Act 2012*. This responsibility includes such internal control as the Board determines is necessary to enable the preparation of the financial report that gives a true and fair view so that it is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing FUSF'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 Board either intends to liquidate FUSF or to cease operations, or have no realistic alternative but to do so.

**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 FUSF's internal control.



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF FLINDERS UNIVERSITY SPORT AND FITNESS INC (CONT)**

**Auditor's Responsibilities for the Audit of the Financial Report (cont)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's 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 FUSF'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 FUSF 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 Board 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.



**Nexia Edwards Marshall**  
Chartered Accountants



**Stephen Camilleri**  
Partner

**Adelaide**  
South Australia

**Dated: 28 February 2020**



**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE BOARD OF FLINDERS UNIVERSITY SPORT AND FITNESS INC**

In accordance with the requirements of subdivision 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, I declare that, to the best of my knowledge and belief, during the audit of Flinders University Sport and Fitness Inc for the year ended 31 December 2019 there have been no contraventions of the independence requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* in relation to the audit.



Nexia Edwards Marshall  
Chartered Accountants



Stephen Camilleri  
Partner

Adelaide  
South Australia

Dated: 28 February 2020

