



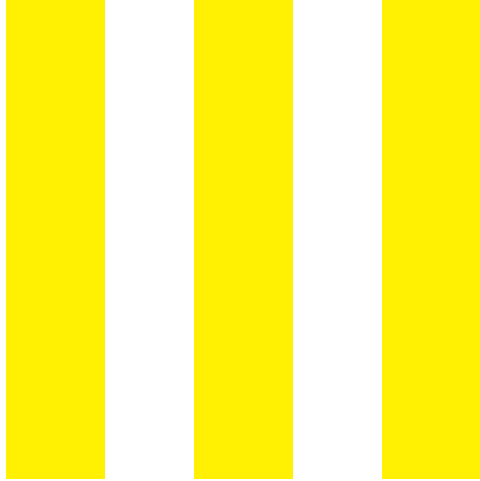
USU

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Annual Report

19

**Creating the best campus
experience in Australia**



Established in 1874, the USU remains the largest student led organisation in Australia. Working closely with the University of Sydney, our mission is to create the best campus experience in Australia by providing quality services, memorable events, inspiring leadership and supporting our growing membership base.

Acknowledgement of Country

The University of Sydney Union acknowledges the Gadigal people of the Eora Nation as the traditional owners of the land on which we are located. The USU recognises that the land belonging to these peoples was never ceded, given up, bought, or sold. We pay our respects to the Aboriginal Elders both past and present, and extend this acknowledgement to any other Aboriginal or Torres Strait Islander people reading this publication.

University of Sydney Union (USU) Annual Report 2019

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From our President

2019 was a triumphant year for the USU. We had stellar initiatives, an expanded membership base and continued to build a sense of community. What makes 2019 special is that every single student regardless of their financial status was now able to become a member of the USU and take advantage of the best student experience in Australia.

2019 was the first year of free USU membership. No matter how rich, poor, international, domestic, rural or local, each student had no financial barrier blocking them from entry.

A proud membership

USU members have a lot to be proud of. They are world championship debaters, ambassadors of equality and inclusivity, and are sustainability champions. In this report, you'll read about our famous Pride Festival and Sustainability Week, as well as our new event, PopFest, and our fundraising initiative, USU MAD (Make A Difference). USU members are also champions of the Arts – through Verge Gallery, Bright Ideas grants, and the USU Creative Awards.

A loud membership

It was difficult to walk down Eastern Avenue during 2019 without hearing the roar of student life. Students were active, with sold out Identity Revues, a buzzing V Team, and a record number of votes cast in the USU Elections. They made themselves heard at Welcome Fest – one of the busiest in living memory.

Endowed membership

Each and every single member is endowed with a breadth of different opportunities. As seen in this report – they can initiate a start-up, perform in a revue or get involved in our flagship festivals. They can also attend our international programs, participate in the Palladian Cup, and edit or contribute to USU Publications.

Any student can join this proud, loud and endowed community. And what a wonderful thing that they can.

On behalf of the membership, I would like to thank all the Directors who served the USU over the past year, with particular thanks to our Immediate Past President, Liliana Tai, and the Executive teams of 2018/19 and 2019/20. I also extend my sincere thanks to all our staff, volunteers and friends who helped build and contribute to the USU community. We would be nothing without you.



Connor Wherrett
USU President

“No matter how rich, poor, international, domestic, rural or local, each student had no barrier to joining the USU”

Connor Wherrett USU President



The Year in Review

January

The USU Debating team reclaims the World Championship title for the second time in three years.

March

Australia's largest Revue season kicks off with the USYD Revue.

Our first Market Day for the year comes to life on Eastern Ave and every month after that.

May

Sustainability Week is launched and achieves record student engagement.

USU Elections achieve a record number of voters.

September

Wellness Week sees 3000 students attend 29 events, held across 8 precincts.

PopFest is launched with an estimated 25,000 attendance.

February

The USU launches free membership for all USYD students.

50,000 students attend Welcome Fest.

Record numbers for International Orientation, Day Trips, Campus Race and Welcome to Sydney Party.

April

MAD, our fundraising program is launched to raise money for two student-selected charities.

Pride Festival and Glitter Gala continue to celebrate and support our LGBTQI+ community.

August

International Orientation kicks off again.

International Fest has the highest ever club participation with 17,000 tickets sold.

Welcome to Sydney Party is sold out, with free entry for USU members.

October

Creative Award winners and shortlisted entries are published in Hermes and exhibited at Verge Gallery.

We host our first 24 hour event: MAD-a-thon

A new record is set for the most registered clubs and societies.

2019 Highlights



30,000
USU members
and growing



50,000
visitors at
Welcome Fest



71%
increase in
international
members



10%
increase in
Clubs &
Societies



6,500
voters in the
USU Elections



Launched
PopFest and
Sustainability
Week



Won
Debating World
Championship



Signed
USU x USYD
Affiliation
Agreement

Membership

2019 saw the biggest change to membership in 10 years!

Making membership more accessible

Supported by the University, the USU was able to offer free membership to all students, for the first time since 2006. This removed all barriers to entry and resulted in USU Membership flourishing to a 10 year record, with nearly 30,000 students and staff joining the USU community. This 32% increase YOY also supported the University's Student Experience Strategy with one third of all USYD students now members of the USU and actively participating in uni life.

Free membership was a game changer, allowing students the choice and freedom to participate in unlimited clubs and societies, giveaways, competitions and events and to really embrace uni life outside of study and lectures. International student membership increased by 71% in 2019, with targeted programs like Language Exchange, and Orientation Events including Campus Race, day trips and parties engaging a cohort, which now makes up over 40% of our overall membership.

The revised USU Membership structure was supported by the launch of the new USU App at Welcome Fest. This provided proof of membership and distinguished Rewards members at POS, as well as providing a platform for targeted marketing campaigns, giveaways, and surveys.

Rebranding USU Rewards

The 'USU ACCESS' program was rebranded 'USU Rewards', creating a simple membership model; Free and Rewards. Members have the option of upgrading from 'Free' to 'Rewards' via a \$45 annual fee, which provides a 10% discount across USU outlets, campus tenants and partner programs. To support short course students, CET and exchange students, the USU also offered Rewards at \$25 for Semester 2. USU Rewards members saved over \$532,000 in USU outlets alone, along with over 28,000 free coffees via our loyalty program and 6,000 freebies at USU events. By the end of 2019 there was almost 50/50 participation across both 'Free' and 'Rewards' membership types.

Strengthening the Constitution

In December 2019, important changes to the Constitution were passed. These included allowing existing eligible members to be automatically rolled over, eliminating the need for annual renewals and strengthening voting requirements for USU Board Elections, ensuring only members of the USU are able to vote for their Board of Directors.



Free membership for all USYD students

2019 membership stats at a glance

- 32% total growth in USU membership
- 38% of all USYD students are USU members
- 95% of USU members are students
- 41% of USU members are International students
- 89% of USU members are full time students
- 53% of USU members are Undergraduates
- 51% of USU members are Free Members
- 49% upgraded to USU Rewards

1/3 of USYD students are USU members

International membership increased by 71%

How our members benefited

- All students can now join clubs and societies through free USU membership
- Over 6,500 free breakfasts and lunches were given to all USU Members at our flagship events
- Over 1,300 \$6 meals (subsidised by the USU) were sold to USU Members from our Food Truck
- Over 28,000 free coffees were redeemed by USU Members throughout the year
- USU Rewards members saved over \$532K at our outlets
- Over 6,000 free drinks, coffees and snacks were given to USU Rewards Members at our events
- Rewards members saved 10% all year at USU outlets, campus tenants and with our external partners
- Rewards members enjoyed VIP access at all our events
- Rewards members had access to competitions and giveaways all year

30,000 members and growing!

Clubs & Societies

Participation greatly increased with over 40,000 memberships to 235 clubs and societies.

Free Membership not only increased participation, but also facilitated the formation of additional clubs and societies – more than we have ever seen before. This was supported by a simpler criteria to get a club or society up and running.

2019 was a defining moment for our flagship Clubs & Societies Program. With support from the University, free USU membership removed entry barriers, allowing more students to join clubs and societies, resulting in participation increasing by 10% – almost double that of previous years, which sat at around 5%. Accompanying this increase, was a phenomenal rise in new club applications, with 71 new club applications in 2019, compared to 45 in 2018. Furthermore, the USU revised and simplified the approval criteria for new clubs and societies, which also contributed to this high engagement, resulting in 52 new clubs being admitted into the Program in 2019, compared to 23 in 2018.

While the obvious impact of free USU membership was increased engagement with the Program, it also prompted the USU to think strategically about what the future of the Program would be, to ensure it delivers maximum impact to members. Moving forward, program development will focus on the user experience, while catering to a young and diverse audience.

2019 stats at a glance

- **Total active clubs and societies: 235**
- **Membership to clubs and societies: 40,511 – over a 10% increase YOY**
- **Number of new clubs and societies: 71 applications with 52 approvals**
- **Average Members per club: 172**
- **Total number of events: 1496**
- **On campus events: 1232**
- **Off campus events: 264**

2019 major award winners

- **Best Club (over 250 members): Sydney University Business Society**
- **Best Club (under 250 members): Sydney Marketing Society**
- **Dave Burnett Most Successful Club (over 250 members): Sydney Marketing Society**

51 new club admissions

1496 events

More clubs than ever before



World Champion Debating Society

The USU Debating Society reclaimed the World Championship title for the second time in three years, dominating the top 10 best speakers. Kevin Lee and Bostan Nurlanov took the title of World Champions with James Stratton taking out best speaker for 2019. The highlight of semester two was the performance at the 2019 Australasian Wom*n's Debating Championship, with Eden Blair and Maya Eswaran winning the competition and Eden Blair taking out the best speaker award. Special mentions go to Debates Port Winners, Kevin Lee, Theodora von Arnim and James Stratton, with Kevin Lee and Eden Blair being named Debaters of the Year!

Two new events launched!

Flagship Events

Record levels of attendance were recorded at all our events during 2019.

Beginning in February with International Orientation and our award-winning Welcome Fest, we introduced 50,000 students to uni life and over 200 Clubs and Societies. During Pride Festival, our themed coffee cups proved incredibly popular, with sales contributing \$1,575 to our nominated charities. In May, we held our first Sustainability Week, which achieved record engagement and set the platform for many new initiatives. In semester two, International Fest had the highest ever club participation with 17,000 tickets sold. This was followed by Wellness Week, where over 3,000 students attended 29 events, across 8 precincts. Finally, the launch of PopFest saw an estimated 25,000 students through our event site over two days.

Welcome Fest

Welcome Day

Pride Festival

Sustainability Week

International Fest

PopFest

Wellness Week



“I don’t think there was a moment when I wasn’t smiling during Sustainability Week... it gave me renewed hope for the future... I’m grateful that the USU was able to provide such a platform”

Sarah Cutter-Russell Fourth Year Student (Science)



“Best event ever, I loved it!...International Fest is a great way to engage the University community...students are able to make lifelong friendships through these types of events”

Kevin Wong
VP of WASABI (USYD Japanese Cultural Society)



“It was unprecedented to see so many clubs and societies on Eastern Ave at Welcome Fest...it was amazing”

Maya Eswaran USU Honorary Treasurer

“PopFest is so fun...can’t wait for next year!”

Amanda Wright First Year Arts Student



International Programs

2019 was a landmark year for our International programs team with a 71% growth in International students joining the USU.

Record number of International members

With the introduction of Free Membership we experienced a record number of International students joining the USU, resulting in International Student Lounge (ISL) cementing its place as the heart of campus life for International and overseas students. From Orientation and Welcome events to a raft of regular programs and activities, this USU hub continued to grow, offering support, friendship, a space for clubs to meet and a place to belong for over 40% of our membership.

Orientation and Welcome Events

Working closely with CET and the STAR team, the USU welcomed over 2000 international students in dedicated orientation sessions. Hosted by our President, Connor Wherrett, and the USU Board, informative peer-to-peer sessions introduced ISL to international students as a place for support and friendship, and launched our 2019 orientation events including, Campus Race, Day Trips and Welcome to Sydney Party. With increased interest in events across the board, we saw a demand to scale up events in order to accommodate new members.

High engagement throughout the year

The International team continued to grow established programs, including Language Exchange, where students can not only learn a new language from a native speaker, but form long lasting friendships. In 2019, we achieved 810 student signups (our highest to date), with 610 successful matches. In addition, for those wanting to brush up on their English skills, weekly English Workshops were held for over 700 students who learnt Aussie slang, Australian etiquette, and discovered our indigenous culture. These workshops also provided an open platform for education and friendship. To support students in the leadup to exams, Crafternoons provided a mental health break from the stress of study, while the ISL desk was on hand throughout the year to provide guidance and direction whatever the situation.

Our flagship event International Fest also set a new benchmark with over 17,000 food fair tickets sold for 4,500 servings of food, representing 50 cultures and showcasing 38 cuisines. Held over 3 days, this annual event brings both local and international students together to celebrate the rich cultural diversity of our campus. Run by students for students, International Fest continues to be a staple of the student calendar.

Record engagement!

“I’ve met many friends from different countries and the experience is great! The team members are all dynamic and ... kind people”

Huading Pu Master of Commerce
USU Sydney Day Trips

“It’s a great event with lots of cultures mixing. When you come from overseas you hang out with your own friends, but this gives me a chance to meet other people”

Phoebe (Surname not supplied)
1st Year Arts Student
USU Language Exchange



2019 stats at a glance

- Welcome to Sydney Parties: 3,500 attendees – sold out!
- Campus Tours: 420 attendees
- Sydney Day Trips: 1,150 attendees
- 17,000 tickets sold at International Fest
- Language Exchange: 810 signups
- English Workshops: 700 attendees

Revues

The University of Sydney has a long running tradition of hosting Revues, sketch comedy shows written and produced entirely by USYD students. 2019 was no different with the USU facilitating the production of 11 Revues, offering substantial grants, training for script writing, budget management, defamation and copyright guidance, as well as providing essential rehearsal space. With over 7,500 tickets sold in 2019, the standouts were the Identity Revues (Wom*n's Revue, Queer Revue and People of Colour Revue), with all shows sold out and many hosting encore performances during comedy festivals throughout NSW. Science and Law Revues also deserve a special mention, as they both received outstanding reviews.

Identity Revues sold out!

“Revues are the reason I stayed at University. They have given me an outlet for creativity which I don't get studying Med and I have made lifelong friends”

Katina Selvaraj Med Revue

Palladian Cup

The Palladian Cup competition is an intercollegiate cultural contest dating from the 1990s. Since 2011, the competition has been organised under the auspices of the USU, and has become a major series of events on the University calendar. The 2019 Cup winner was St John's College.

SEMESTER ONE

- Oration
- Solo Vocal
- Solo Instrumental
- Solo Drama
- Dance

SEMESTER TWO

- Debating
- Vocal Ensemble
- Art
- Instrumental Ensemble
- Drama Ensemble

10 live events

Supporting the 2019 Intercol musical



Edited by students

Publications

Pulp

In 2019, Pulp was led by three student editors; Haydn Hickson, Alexander Barnstone and Madeline Ward. Together with 50 contributors, they published 502 articles covering a broad range of topics such as reviews, art and pop culture, health, sports, campus life and politics.

3 student editors

71.8K site visits

As online publication Pulp had:

- 58.1K unique visitors
- 71.8K visits to the site
- 95K page views.

WeChat

Our 2019 editors, Jiayu (Kelly) Chen, Vanessa Li, continued to build our WeChat following and increase engagement with the USYD international student community.

2 student editors

2,000+ followers

Hermes

Edited by students, Georgia Tan and Lou Garcia-Dolnik, the 2019 edition of Hermes had a record number of submissions. Showcasing the best student work in art, word and music submitted through the USU Creative Awards, 250 free copies were given out to be read and enjoyed by the USYD community.

2 student editors

250 free copies



Creative Awards

Showcasing and rewarding artistic talent

The USU Creative Awards gives student artists from all USYD campuses the chance to showcase their work to peers, industry professionals and the local community. Selected works are published in Hermes, one of Australia's oldest literary journals and exhibited at Verge Gallery. This program has seen winners from a variety of backgrounds, not strictly from The Con or SCA (the 2017 winner for Music was a science student), providing an opportunity for all creative students to express themselves with the chance of winning cash prizes.

\$5,000 prize pool

2019 prize winners

- Word: YX Zhang "Blueberry Moon"
- Music: Ruby J "Where Are You?"
- Art: Squished Cockroach "The Object Problem"

Bright Ideas

Fostering creativity

Bright Ideas encourages USYD students to bring their creative ideas to life through grants, mentoring and free workshops.

2019 grant recipients

- Bianca Yeung: Take a Break – featured during Wellness Week
- Kendra Murphy: The Rime of the Ancient Mariner
- Maddison Hemphill-Kingston: Stay Tuned – featured at Courtyard
- Rose McClelland: NINE
- Shiya L: A Deal
- Tom Davidson McLeod: 1984! The Musical



10th Anniversary

Verge Gallery

Championing The Arts on campus

In 2019 Verge presented 16 exhibitions and 59 events, which acted as a springboard for co-curricular projects, professional development activities, cultural exchange and for students at the University of Sydney. Established in 2009, Verge's 2019 Artistic Program celebrated the Gallery's 10th anniversary.

Our partnership with arts journal Running Dog gave three USYD emerging creative arts professionals an opportunity to conceive, lead and deliver an event at the gallery. The Verge volunteer program supported 25 USYD students through hands-on experience in art gallery operations and our project-led vocational placement saw a young curator, Maddison Daugaard, curate the 2019 Creative Awards.

In 2019, the Verge team launched Verge Projects, a platform that aims to strengthen the USYD community and networks through on campus art activations outside of the gallery space.

Rounding out 2019, Verge celebrated the UNESCO International Year of Indigenous Languages with PARADISEC x Sydney Conservatorium of Music through a listening party, Toksave: Culture Talks. The event was a celebration of lived experiences and endangered languages through music, sharing of lived experiences and food.

59 events
16 exhibitions
25 student volunteers



Promoting a culture of giving

MAD (Make A Difference)

Launched in 2019 as a fundraising initiative for our two student-elected charities: Indigenous Literacy Foundation and The Gender Centre.

Total engagement:

- MAD-a-thon registrations: 66 students and staff
- MAD charity submissions: 12

\$18,479 raised



V Team (USU Volunteering)

“Volunteering ... is definitely a highlight for me. I’m always willing to help new students immerse themselves in Uni culture and life. And I get to meet new friends along the way”

Angele Yan USU Student Intern and Volunteer of the Year

800 registrations

72 events



All time high: 6,454 voters!

Elections

Students decide the future of the USU

Responsible for overseeing the operational and strategic business of the USU, the Board is composed of 14 Directors. The Board is comprised of 11 student Directors, two Senate-appointed Directors and an Immediate Past President. In 2019, six serving directors were replaced with six newly elected candidates including, Benny (Yinfeng) Shen, Zizheng (Oscar) Bai, Nick Forbutt, Eve (Di) Wang, Roulin (Irene) Ma and Cady Brown.

2019 candidates

- Benny (Yinfeng) Shen
- Zizheng (Oscar) Bai
- Nick Forbutt
- Eve (Di) Wang
- Roulin (Irene) Ma
- Cady Brown
- Tom Manousaridis
- Ellie Stephenson
- Christina (Tina) Lee



Incubate

Our award-winning startup program

Founded by the USU, INCUBATE supports USYD students, alumni, staff and researchers to launch high-potential startups through its Accelerator program. INCUBATE also supports early stage entrepreneurs through its Proto workshops and a range of high value community activities. This year saw the launch of ProtoX as a free part-time mentoring program for early stage startups. Special mention should go to James Alexander, departing INCUBATE Founder, Honorary Life Member and continuing mentor.

ProtoX **New in 2019**

- 16 workshops
- 67 attendees
- 96 registrations

Proto workshops

- 29 workshops
- 192 attendees
- 56 X 1:1 mentor sessions

Incubate Accelerator

- 16 startups
- 881 Demo Day attendees
- \$35 million investment raised

Community events

- 40 events
- 391 attendees
- 8 industry collaborations

Most Successful Student Outcomes Program: 2019 CampusLink Awards



Over 13 tonnes of waste saved from landfill

Sustainability

Building a sustainable future for our campus

The USU is committed to a sustainable future for our campus community and has made commitments ensuring sustainability is embedded into everything we provide – from our events and cafes to our student programs and facilities.

2019 initiatives:

- Over 13 tonnes of plastic and other waste saved from landfill
- 105+ kilos of food rescued and redistributed
- Customers using a reusable cup: 12%
- Almost 100,000 single use cups saved from landfill
- 894 kilos of coffee saved from landfill with our coffee re-use scheme
- Over \$13,000 donated to Oz Harvest
- 1,500+ sourdough loaves purchased to support Australia's first social enterprise bakery

We are committed to:

- City of Sydney 'Zero Waste Sydney' single use plastic pledge
- City of Sydney 'Love Food Sydney Project' tackling food waste



Commercial Operations

Experiencing the greatest growth to date!

2019 was an instrumental year for the USU's food & beverage operation along with USYD Store retail, experiencing the greatest growth to date with annual turnover of \$15M. Proudly operating as a 'profit for purpose' business all proceeds were directly injected into USU's activities and member support.

USUeats celebrates a sustainable future

USUeats experienced its biggest year supported by the investment and launch of the USUeats Food Truck delivering over 25,000 affordable meals to USU members and providing flexibility to go where the students are.

In addition our USUeats \$6 After 6pm initiative went from strength to strength, 'popping up' in Fisher Library for exams, serving over 15,000 meals over the year and winning an industry CampusLink Award from Tertiary Access Group (TAG) for Best F&B Offer. As well, USUeats led the charge across the University for a more sustainable future, introducing edible plates, lidless coffees, mug walls, BYO bowls, food rescue, and saving over 100k single use coffee cups from landfill.

No.1 university retailer in Australia

USYD Store also had an extraordinary year, delivering the most successful graduations service to date. Snow globes continued to go viral, winning an industry CampusLink Award from TAG for Best Retail Campaign and selling over 8,500 units. While Footbridge Station was refurbished on a shoestring, it experienced its most profitable year to date. Apparel sales went from strength to strength, making USU the no.1 campus retailer in Australia.

USU Bars: Manning goes gigs only

USU's bars had a challenging year full of highs and lows. Hermann's Bar was refurbished, and the introduction of Bubble Tea and Beer Towers with pizza saw its biggest turnaround in financial performance in over three years. Manning Bar hosted major touring acts and events such as the Heaps Gay Mardi Gras After Party, Return to Rio, Neko Nation, Polish Club and DZ Deathrays, however declining regular student day trade lead the USU's board to make the financially prudent decision to limit Manning Bar's trade to events only.

HostCo: A Year of Regeneration

HostCo entered a year of regeneration and regrowth after a failed external venture, recovering with \$3.4M in sales by year end. A corporate rebrand, renewed focus on University and corporate clients, and a lean, experienced personnel structure contributed to this success.

\$18K donated to Ozharvest, together with our partner Vittoria Coffee



2019 membership stats at a glance

- Served over 1.8M customers
- Gave back over \$532K in Rewards discounts to our members
- Giving over 12,500 free meals, drinks and snacks to our members via the USUeats Food Truck
- Dressed 8,500+ USYD graduands
- Sold 19,000 USYD hoodies and tees
- Made over 840,000 hot beverages, proving the campus is fuel by coffee
- Held over 840 major events through HostCo



People & Culture

103 full time staff
302 casual staff

Supporting our staff and students

At the conclusion of 2019 the USU had 103 full time employees and 302 casuals underpinning our growing business.

Proudly supporting our community, we engaged 156 students in a variety of roles across our business, from food and beverage staff through to department support staff. In addition, we offered a number of student leadership roles including, two Marketing Assistants for INCUBATE, four Campus Activity Coordinators and Flagship Event Coordinators for PopFest and Welcome Fest. We also provided editorial positions for students, including three for Pulp and two for WeChat. Once again, the 2019 WGEA Report stated the USU is compliant with the Workplace Gender Equity Act 2012. The gender composition of our workforce overall is 61.1% female and 38.9% male. These statistics were reflected in the promotion of women in the total workforce and in management roles.

2019 Staff Survey Outcomes

The bi-annual survey determined that the USU has a culture of ambition which is a 3.3% increase in engagement from 2017, with 56% of staff engaged with the organisation. Important takeouts included, 90% of staff agreed they are treated equally and fairly regardless of their gender, 71% agreed there was respect and fairness in the organisation and 59% noted there is a strong sense of purpose and direction. People are proud of the successes and achievements of the organisation, however want to improve the way things work in the organisation, including having regular staff performance reviews.

Training & Staff Initiatives

The USU continues to offer professional development to all its staff. In 2019, over 30% of staff undertook external training and education opportunities. In addition People & Culture launched three significant initiatives, which proved very successful, linking directly to suggestions from the Staff Survey.

Chefs Training Program: Launched June

2019. A comprehensive program was developed specifically for our kitchen brigade, including all our Chefs, where we balanced upskilling with fundamental management skills – financial, food costs, wastage and industry systems along with market trends, leadership and mental well-being. The training involved five days of personal and professional development, both on and off site with benchmarking visits to OZ Harvest, Flemington Markets, breweries and concept restaurants. This program has now been nominated for an industry award.

The inaugural USU Mental Health Month,

October 2019. This successful month long program engaged all staff with a range of organised activities to help de-stress and manage mental health, including support and awareness sessions, massages, fitness activities and a fundraising Afternoon Tea. This program was established and fully funded by securing a grant from Mental Health Association of NSW.

Performance Review Training. Performance reviews were re-ignited in 2019. The annual staff survey revealed that 86% staff felt they would benefit from having a performance review. In response, we developed an online program which was successful rolled out with 100% completion rate.

156 students employed



Who's Who at the USU

2019 Board

Connor Wherrett: President
Lachlan Finch: Vice President
Maya Eswaran: Honorary Treasurer
Decheng Sun: Honorary Secretary
Benny (Yinfeng) Shen:
• 1st Year Board Director
• International Student Portfolio
• Student Publications
• Electoral Committee
Caitlin (Cady) Brown:
• 1st Year Board Director
• Wom*n's Portfolio
Eve (Di) Wang:
• Environmental Portfolio
• Ethno-Cultural Portfolio
• Awards Committee
Nick Forbutt:
• 1st Year Board Director
• Queer Portfolio
• Remuneration Committee
Roulin (Irene) Ma:
• 1st Year Board Director
• Student Publications
• C&S New Club Panel
Zizheng (Oscar) Bai:
• 1st Year Board Director
• Disability Portfolio
• Finance Committee
Jane Drummond: Senate Appointed Director
Marie Leech: Senate Appointed Director

Outgoing Board

Liliana Tai: Immediate Past President
Adam Torres: Immediate Past Vice President
Zhixian Wang: Immediate Past Honorary Secretary
Claudia Gulbransen-Diaz: Immediate Past Honorary Treasurer
Jacob Masina: Immediate Past Director
Hengjie Sun: Immediate Past Director

Executive Staff

Alexis Roitman: Chief Executive Officer (Appointed November 2019)
Alistair Cowie: Director of Sales, Marketing & Infrastructure (January-July 2019) / Interim Chief Executive Officer (August-November 2019)
Ashlea Wallington: Director of Entrepreneurship & Innovation
Jess Reed: Director of Operations
Jodi Tweed: Director of Student Programs
Rebecca Sahni: Director of Finance and Business Systems
Sandra Hardy: Director of People & Culture
Tania Moroko: Director of Business Development (January-July 2019) / Director of Sales, Marketing & Membership (August-December 2019)

Outgoing CEO

Andrew Woodward: Chief Executive Officer (January-July 2019)

Life Membership

Each year Life Membership is awarded to outstanding students who have made a significant contribution to the USU community.

Adam Torres: Life Member
Andrew Rickert: Life Member
Angele Yan: Life Member
Bostan Nurlanov: Life Member
Claudia Gulbransen-Diaz: Life Member
Harry Nicol: Life Member
Haydn Hickson: Life Member
Helen Munro: Life Member
Hengjie Sun: Life Member
Jacob Masina: Life Member
Jessie Atwood: Life Member
Joshua Maggiora: Life Member
Liliana Tai: Life Member
Noah Vaz: Life Member
Rhian Mordaunt-Buksh: Life Member
Viran Weerasekera: Life Member
Zhixian Wang: Life Member

Honorary Life Membership

Honorary Life Membership is the highest award presented by The USU, acknowledging extraordinary contribution and service to the USU and University Community over a significant period of time.
Alistair Cowie: Honorary Life Member (Fellow)
James Alexander: Honorary Life Member

Student Leaders

Welcome Fest Coordinators

Andrew Rickert
Sarah Cutter- Russell
Monica Gawas

Campus Activity Coordinators

Ada Chan
Tom Manousaridis
Wei-Jia Teh
Noe Nakoji

PopFest Coordinators

Petra Cranshure-Player
Maria Gil

Debates Director

Viran Weerasekera

Incubate Coordinators

Cynthia Feng
Colette Smith

WeChat Editors

Jiayu (Kelly) Chen
Vanessa Li

Pulp Editors

Alexander Barnstone
Haydn Hickson
Madeline Ward

Hermes Editors

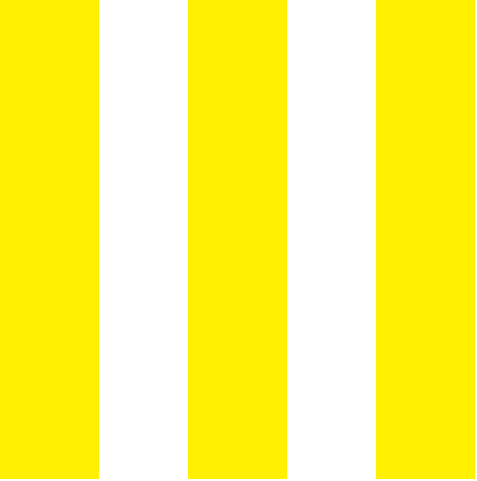
Georgia Tan
Lou Garcia-Dolnik

Debates Director

Viran Weerasekera

Financial Report

26 May 2020



This financial report covers The University of Sydney Union as an individual entity. The financial report is presented in Australian dollars, which is The University of Sydney Union's functional and presentation currency.

The University of Sydney Union is an unincorporated association domiciled in Australia. Its principal place of business is:

Level 5 Holme Building Science Road

University of Sydney NSW 2006

A description of the nature of the Union's principal activities and review of operations is included on page 2 of the directors' report.

The financial report was authorised for issue by the directors of the Union on 20 May 2020. The Union has the power to amend and reissue the financial report.

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Directors' Report

The directors of The University of Sydney Union (referred to hereafter as the Union) present their report on the Union for the year ended 31 December 2019.

Directors

The following persons were directors of the Union during the whole of the year and up to the date of this report:

Director	Appointed	Number of meetings attended	Number of meetings eligible to attend	Leave of absence	Apologies
Liliana Tai	01/06/17	10	11	–	1
Adam Torres	Retired 07/19	5	5	–	–
Claudia Gulbransen-Diaz	Retired 07/19	5	5	–	–
Zhixian Wang	Retired 07/19	5	5	–	–
Ruolin Ma	01/06/19	6	6	–	–
Jacob Masina	Retired 07/19	5	5	–	2
Hengjie Sun	Retired 07/19	3	5	–	–
Maya Eswaran	01/06/18	11	11	–	–
Lachlan Finch	01/06/18	11	11	–	–
Connor Wherrett	01/06/18	11	11	–	–
Zimeng Ye	01/06/18	11	11	–	–
Decheng Sun	01/06/18	11	11	–	–
Jane Drummond	01/02/18	11	11	–	–
Courtney Thompson	Retired 07/19	1	5	–	4
Marie Leech	22/06/19	8	11	–	3
Yinfeng Shen	01/06/19	6	6	–	–
Zizheng Bai	01/06/19	6	6	–	–
Nick Forbutt	01/06/19	6	6	–	–
Caitlin Brown	01/06/19	6	6	–	–
Di Wang	01/06/19	6	6	–	–

Directors' Report (cont)

Principal activities and review of operations

The principal activities of the Union during the year were the provision of goods, services and amenities to its members and others who form part of the University of Sydney community. The surplus of the Union for the year ended 31 December 2019 was \$497,578 (2018: loss of \$495,174).

Significant changes in the state of affairs

The Impairment of the Salesforce CRM Platform was a significant change during the year.

Matters subsequent to the end of the year

As at the date of this report The Union continues to negotiate the Student Services Amenities Fee (SSAF) funding for 2020 with the University of Sydney. During the 2019 calendar year the Union received \$3,888,246; it is the Directors' expectation that the Union will receive a similar amount for the 2020 calendar year. The Funding agreement is anticipated to be finalised with the University of Sydney before the end of June 2020.

Matters subsequent to the end of the year (continued)

Subsequent to year end, COVID-19 has been declared a global pandemic and the Australian government has issued specific restrictions on social gatherings and the closure of non-essential businesses in March 2020. In response, the University of Sydney has temporarily restricted access to the campus and cancelled all University events from 16 March 2020 and moved teaching online. The University of Sydney Union has temporarily closed down the majority of its venues until these restrictions are lifted which has severely impacted the operations of the Union.

Refer to the going concern disclosure included in the basis of presentation in note 1 for further information on the impact.

Other than that noted above, there have been no material events after the reporting date.

Environmental regulation

The Union is not subject to any significant environmental regulation.

Insurance of directors

The Union has obtained appropriate insurance in respect of all directors, committee members and senior executives against all liabilities to other persons that may arise from their positions as directors or executives, except where the liability arises out of conduct involving a lack of good faith. This insurance is made as part of the total insurance cover the Union has with the University of Sydney.

Proceedings on behalf of the Union

No person has applied to the Court for leave to bring proceedings on behalf of the Union, or to intervene in any proceedings to which the Union is a party, for the purpose of taking responsibility on behalf of the Union for all or part of those proceedings. The Union was not party to any such proceedings during the year.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 December 2019 has been received and is contained within this report.

This report is made in accordance with a resolution of the directors of the Union.



Connor Wherrett
Director



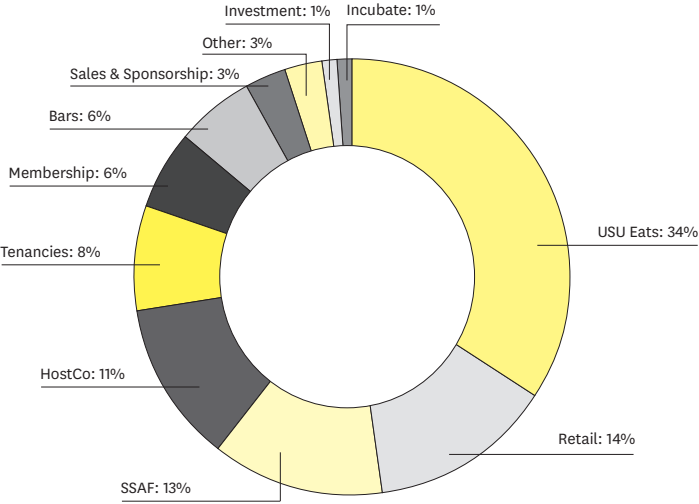
Maya Eswaran
Director

Sydney
22 May 2020

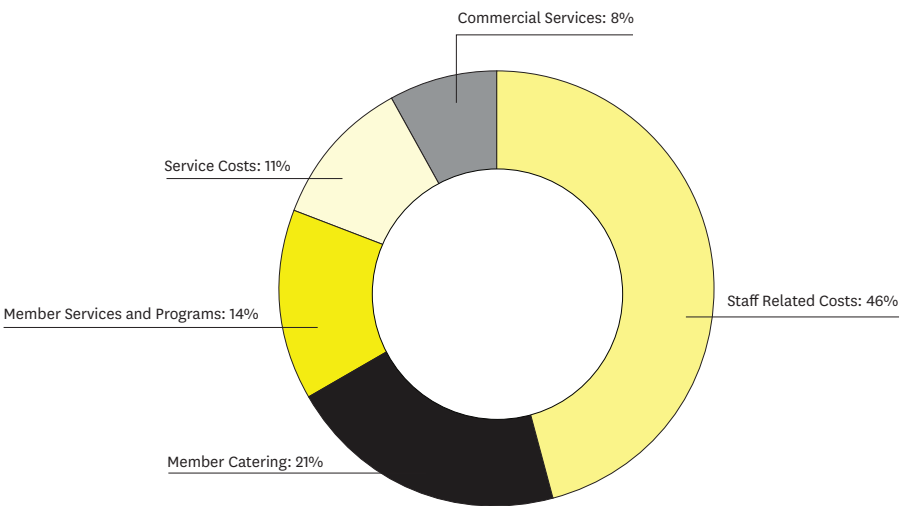
2019 Financial Summary

Total revenue for 2019 was \$30.065M, with a slight reduction from 2018 of 3.5%, primarily due to lower revenue generated in our bars of 12% compared to 2018. As a service based business, salaries remained the USU's largest expenditure in 2019. Capital Expenditure of \$736K was focused on refurbishment of spaces and outlets, as well as a new fleet of vans to improve the efficiency of our food and beverage business. \$304K was dedicated to supporting a growing number of clubs and societies. \$1.71M was directly spent on member services, including campus based activities, concerts, competitions and festivals. \$2.87M was spent on operating and maintaining USU student spaces. Membership revenue increased from \$1.5M in 2018 to \$1.76M in 2019, with the University continuing to support free membership, which is now classified as SSAF. An expected impact of a service provider going into liquidation, created additional \$157K cost to the organisation.

Total income



Total expenses





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Sydney NSW 2000
Australia

The University of Sydney Union
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2019

	Notes	2019 \$	2018 \$
Revenue	3	30,065,416	31,011,223
Fair value gains/(losses) on other financial assets	4	536,138	(70,485)
Cost of sales		(8,256,669)	(9,047,469)
Employee benefits expense		(13,536,085)	(13,183,262)
Property expenses		(2,870,456)	(2,987,789)
Administration expenses		(1,861,320)	(2,140,722)
Finance costs		(208,792)	(259,810)
IT costs		(616,829)	(882,030)
Member costs		(1,162,497)	(922,557)
Operations costs		(960,487)	(932,836)
Impairment expenses	10	(157,419)	(631,655)
Depreciation expense		(473,421)	(447,781)
Surplus/ (deficit) before income tax	5	497,578	(495,174)
Income tax expense	1(c)	-	-
Surplus/ (deficit) for the year after income tax		497,578	(495,174)
Other comprehensive income, net of tax		-	-
Total comprehensive income attributable to members of the Union		497,578	(495,174)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

DECLARATION OF INDEPENDENCE BY CLAYTON EVELEIGH TO THE DIRECTORS OF THE UNIVERSITY OF SYDNEY UNION

As lead auditor of The University of Sydney Union for the year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

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

Clayton Eveleigh
Partner

BDO East Coast Partnership

Sydney, 22 May 2020

The University of Sydney Union
Statement of financial position
As at 31 December 2019

		2019	2018
		\$	\$
ASSETS	Notes		
Current assets			
Cash and cash equivalents	6	1,078,965	1,493,388
Trade and other receivables	7	792,069	703,064
Inventories	8	1,056,885	1,164,492
Other financial assets at fair value	9	3,738,542	3,118,656
Total current assets		6,666,461	6,479,599
Non-current assets			
Plant and equipment	10	2,808,444	2,562,228
Total non-current assets		2,808,444	2,562,228
Total assets		9,474,905	9,041,827
LIABILITIES			
Current liabilities			
Trade and other payables	11	2,387,488	2,597,723
Employee benefits	12	1,452,167	1,354,053
Total current liabilities		3,839,655	3,951,777
Non-current liabilities			
Employee benefits	13	188,949	141,327
Total non-current liabilities		188,949	141,327
Total liabilities		4,028,604	4,093,104
NET ASSETS		5,446,301	4,948,723
EQUITY			
Reserves		5,446,301	4,948,723
TOTAL EQUITY		5,446,301	4,948,723

The above statement of financial position should be read in conjunction with the accompanying notes.

The University of Sydney Union
Statement of changes in equity
For the year ended 31 December 2019

	Retained Earnings
	\$
Balance as at 1 Jan 2018	5,443,897
Deficit for the year	(495,174)
Other comprehensive income for the year, net of tax	-
Total comprehensive income for the year	(495,174)
Balance as at 31 December 2018	4,948,723
Surplus for the year	497,578
Other comprehensive income for the year, net of tax	-
Total comprehensive income for the year	497,578
Balance as at 31 December 2019	5,446,301

The above statement of changes in equity should be read in conjunction with the accompanying notes.

The University of Sydney Union
Statement of cash flows
For the year ended 31 December 2019

Notes	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	24,516,685	26,949,885
Payments to suppliers and employees	(32,167,733)	(32,608,022)
Interest received	20,849	18,998
Rental income received	2,694,108	2,538,126
SSAF received from University of Sydney	5,377,071	4,754,585
Dividends received (net of dividends reinvested)	183,166	98,055
Interest and other costs of finance paid	(208,792)	(169,683)
Net cash from operating activities	415,354	1,581,944
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of other financial assets	-	912,861
Payments for the purchase of other financial assets	-	(912,999)
Payments for purchase of plant and equipment	(829,777)	(722,419)
Net cash used in investing activities	(829,777)	(722,557)
Net (decrease)/increase in cash held	(414,423)	859,387
Cash and cash equivalents at the beginning of the year	1,493,388	634,001
Cash and cash equivalents at the end of the year	1,078,965	1,493,388

The above statement of cash flows should be read in conjunction with the accompanying notes.



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INDEPENDENT AUDITOR'S REPORT

To the members of The University of Sydney Union

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of The University of Sydney Union (the registered entity), 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, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

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

- (i) Giving a true and fair view of the registered entity's financial position as at 31 December 2019 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards - Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter - Subsequent event

We draw attention to Note 15 of the financial report, which describes the non-adjusting subsequent event on the impact of the COVID-19 outbreak on the registered entity. Our opinion is not modified with respect to this matter.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the registered entity's ability to continue as a going concern and therefore the registered entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

BDO East Coast Partnership ABN 83 236 985 726 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO East Coast Partnership and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual report, but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO East Coast Partnership

BDO



Clayton Eveleigh

Partner

Sydney, 22 May 2020

Note 1. Statement of Accounting Policies

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

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), as appropriate for not-for-profit oriented entities and in accordance with the constitution of the unincorporated association and Division 60 of the *Australian Charities and Not of Profit Act 2012*.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

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 unincorporated association'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 are disclosed in note 2.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

Subsequent to year end, as disclosed in Note 15, The University of Sydney Union ("USU") has been severely impacted by the shut downs associated with COVID-19. This has resulted in a significant decline in business activities which has resulted in a material decline in operating cash flows of USU. As a result of these matters, and the associated reliance on continued SSAF funding by the University of Sydney, there is a material uncertainty related to events and conditions that may cast significant doubt on whether the company will continue as a going concern, and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report.

The directors believe there are reasonable grounds to conclude the company will continue as a going concern as a result of the following:

- SSAF funding, provided by the University of Sydney, will continue to be received in accordance with the estimated amounts and timing included within USU's cash flow forecast for the 12 months from the date of this financial report;
- USU has taken measures to reduce operating expenditure during the COVID19 pandemic to ensure that sufficient cash flows are available to support USU during the forecast period. The ability of USU to meet its forecasts is dependent on the ability of USU to achieve the measures relating to operating expenditure reductions;
- USU is eligible for JobKeeper and other related stimulus measures relating to deferred payments, until September 2020;
- The availability of liquid equity investments held by USU (refer to note 9) to cover any shortfall in cash and cash equivalents during the forecast period;
- The fair value of liquid equity investments will not deviate significantly from current valuations at the date of this report; and
- The cash flow projection to 31 May 2021 supports the ability of USU to continue as a going concern subject to the events described above.

(a) Basis of preparation (continued)

However, forecast events frequently do not occur as expected as many external and internal factors impact on future events. In the event that The University of Sydney Union is unable to achieve the matters detailed above, it may not be able to continue as a going concern and therefore may not be able to realise its assets and extinguish its liabilities in the ordinary course of business and at the amounts stated in the financial statements. No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should USU not continue as a going concern.

(b) Revenue recognition

Revenue is recognised upon satisfaction of the performance obligation, which occurs when the control of the goods and services are transferred to the customer.

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and amounts collected on behalf of third parties including GST. Revenue is recognised for the major business activities as follows:

(i) Rental income

Rental income for operating leases is recognised on a straight line basis over the term of the lease, except where an alternative basis is more representative of the pattern of service rendered through the provision of the leased premises.

(ii) Interest

Interest income is recognised on a time proportion basis using the effective interest method.

(iii) Goods and services

Revenue from the sale of goods and services is recognised upon satisfaction of the performance obligation, which is at the point of delivery of those goods or services to the customer. Revenue from membership fees is recognised in the year to which membership relates.

(iv) Dividends

Dividend revenue is recognised when the right to receive payment is established.

(v) Other revenue and other income

Other revenue is recognised when it is received or when the right to receive payment is established and any related performance obligations are satisfied.

(vi) Commissions and events revenue

Commissions and events revenue is recognised upon satisfaction of the performance obligation. Commissions are recorded over time in accordance with the period to which the commission relates. Events revenue is recorded at the time the event is held.

(c) Income tax

Income tax has not been brought into account in respect of the Union, as pursuant to section 50(5) of the *Income Tax Assessment Act 1997*, the Union is exempt from the payment of income tax.

(d) 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.

(e) Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Union has applied a simplified approach to measured expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

(f) Inventories

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

(g) Investments and other financial assets

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

A liability is classified as current when: it is either expected to be settled in 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.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable value.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The University of Sydney Union
For the year ended 31 December 2019

(h) Plant and equipment

Each class of plant and equipment is carried at cost less any accumulated depreciation, and where applicable has been the subject of impairment testing. Depreciation is calculated on a straight line basis so as to write off the cost of each depreciable non-current asset over its expected useful life.

Depreciation rates used are:

Plant and Equipment	20%- 33.3%
Furniture and Fittings	10%
Motor Vehicles	10%-25%
IT Equipment	33.33%

(i) Trade and other payables

These amounts represent liabilities for goods and services provided to the Union prior to the end of the year which are unpaid. The amounts are unsecured and are usually paid within 31 days of recognition. These amounts are recognised at amortised cost.

Other liabilities expected to be settled more than 12 months after the reporting date are classified as non-current.

(j) Employee benefits

(i) Wages, annual leave and sickleave

Liabilities for wages, including non-monetary benefits, annual leave and sick leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(k) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of 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 taxation authority is included with other receivables or payables in the statement of financial position.

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

The University of Sydney Union
For the year ended 31 December 2019

(l) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date at which the association commits itself to either purchase or sell the asset.

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value.

Financial assets at fair value through profit or loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount included in profit or loss.

(m) New, revised or amending Accounting Standards and Interpretations adopted

The University of Sydney Union has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The following Accounting Standard are most relevant to the unincorporated association:

AASB 16 Leases

The unincorporated association has adopted AASB 16 from 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

The University of Sydney Union leases land and buildings from University of Sydney for a nil notional amount in an open ended lease term that has been in existence for a substantial long period of time. There are no restrictions on use of the land and buildings. There was no impact of the adoption of AASB 16 *Leases* as the unincorporated association has exercised the option to defer the application of AASB 16 to peppercorn leases (leases with below-market terms and conditions) for not-for-profit entities. The remaining leases held by the unincorporated association fall below the low-value threshold.

New 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 unincorporated association for the annual reporting period ended 31 December 2019. The unincorporated association's assessment of the impact of these new or amended Accounting Standards and Interpretations is that they are not applicable.

The University of Sydney Union
For the year ended 31 December 2019

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets and liabilities. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) *Estimation of useful lives of assets*

Management determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation 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.

(ii) *Long service leave provision*

As discussed in note 1, the liability for long service leave is recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Revenue

	2019 \$	2018 \$
Sales of goods and services	20,430,592	22,012,449
Other revenue:		
Interest income	20,849	18,998
Dividend revenue	266,914	165,134
Rental income	2,449,190	2,307,387
Student Services and Amenities Fees (SSAF) funding from the University of Sydney	4,888,246	4,322,350
Commissions revenue	476,343	503,565
Events revenue	494,875	509,442
Other revenue	319,039	284,619
Other income	719,368	887,279
Total other revenue	9,634,824	8,998,774
Total revenue	30,065,416	31,011,223

Note 4. Fair value gains/ (losses) on other financial assets

	2019 \$	2018 \$
Movement in fair value of investments	536,138	(70,486)

The University of Sydney Union
For the year ended 31 December 2019

Note 5. Surplus before income tax

	2019 \$	2018 \$
Employee benefits expense	12,532,027	12,203,845
Superannuation expense	1,004,058	979,418
Rental Expense on operating leases	132,300	334,186

Note 6. Current assets - Cash and cash equivalents

	2019 \$	2018 \$
Cash on hand	45,315	49,622
Cash at bank	1,033,650	1,443,766
	1,078,965	1,493,388

Note 7. Current assets - Trade and other receivables

	2019 \$	2018 \$
Trade receivables	632,652	535,562
Provision for expected credit losses	(4,000)	(33,599)
	628,652	501,963
Sundry debtors	84,501	70,486
Prepayments and other receivables	78,916	130,615
	792,069	703,064

Note 8. Current assets - Inventories

	2019 \$	2018 \$
Finished goods	1,056,885	1,164,492

Note 9. Current assets - Other financial assets

	2019 \$	2018 \$
Financial Assets at fair value through profit or loss:		
Shares in listed entities	3,738,542	3,118,656
	3,738,542	3,118,656

The fair value hierarchy of these assets is considered to be Level 1 whereby the lowest level of input that is significant to the entire fair value measurement is quoted prices in an active market for identical assets that the Union can access at the measurement date.

Subsequent to year end, due to the impacts of COVID19 as disclosed in note 1 and note 15, the fair value of the investments held by The University of Sydney Union has decreased to \$3,027,997 at 30 April 2020 which is expected to approximate the value at the date of signing.

The University of Sydney Union
For the year ended 31 December 2019

Note 10. Non-current assets - plant and equipment

	2019 \$	2018 \$
Plant, Furniture, Equipment and Vehicles		
At cost	5,032,898	4,660,951
Accumulated depreciation	<u>(2,622,491)</u>	<u>(2,324,572)</u>
	2,410,407	2,336,379
Artworks		
At cost	199,117	199,117
Work in Progress		
At cost	198,920	26,731
 Total Plant and Equipment- at cost	 5,434,935	 4,886,799
Accumulated Depreciation	<u>(2,622,491)</u>	<u>(2,324,572)</u>
	2,808,444	2,562,228

Movement in Carrying Amounts

	Plant, Furniture, Equipment and Vehicles \$	Artworks \$	Work in Progress \$	Total \$
Balance at the beginning of the year	2,336,379	199,117	26,732	2,562,228
Additions	500,170	-	329,607	829,777
Disposals/impairment	(2,721)	-	(157,419)	(160,140)
Depreciation expense	<u>(473,421)</u>	<u>-</u>	<u>-</u>	<u>(473,421)</u>
Carrying value at the end of the year	2,410,407	199,117	198,920	2,808,444

During 2018 and 2019 there were additions in the WIP account for Salesforce CRM platform. Due to the inability to complete and use the CRM (as a result of the developer going into liquidation), the Union recognised an impairment expense.

Note 11. Current liabilities - Trade and other payables

	2019 \$	2018 \$
Trade payables	282,512	804,338
Other payables and accruals	1,363,126	1,123,131
Income in advance	<u>741,850</u>	<u>670,254</u>
	2,387,488	2,597,723

The University of Sydney Union
31 December 2019

Note 12. Current liabilities - Employee benefits

	2019 \$	2018 \$
<i>Annual Leave</i>		
Opening balance	628,786	544,706
Provisions raised during year	824,883	755,590
Less: amounts used	<u>(826,412)</u>	<u>(671,510)</u>
Closing balance	627,257	628,786
<i>Sick Leave</i>		
Opening balance	5,696	10,373
Provisions raised during year note amounts year	<u>(5,696)</u>	<u>(4,677)</u>
Closing balance	-	5,696
<i>Long Service Leave</i>		
Opening balance	719,571	523,346
Provisions raised during the year	219,732	198,301
Less: amounts used	<u>(114,393)</u>	<u>(2,076)</u>
Closing balance	824,910	719,571
 Total current employee benefits	 <u>1,452,167</u>	 <u>1,354,053</u>

Note 13. Non-current liabilities - Employee benefits

	2019 \$	2018 \$
<i>Long Service Leave</i>		
Opening Balance	141,327	264,307
Provisions raised during the year/amounts used	<u>47,622</u>	<u>(122,980)</u>
 Total non-current employee benefits	 <u>188,949</u>	 <u>141,327</u>

Note 14. Expenditure Commitments

Superannuation Commitments

During the year, the Union made contributions to superannuation funds on behalf of its employees. Members of the funds are entitled to benefits on retirement, disability or death. Contributions to the funds are at varying rates of gross salaries.

The Union is under no legal obligation to make up any shortfall in the funds assets to meet payments due to employees other than in very limited circumstances of the USUF transfer across of staff to ARF superannuation. At year end only one staff member remained under this arrangement.

The Union contributed to Australian Super and a number of other funds on behalf of its employees at the rate of 9.5% of wages as required by the Federal Government's Superannuation Guarantee Contribution legislation (SGC).

Note 14. Expenditure Commitments (continued)

Superannuation Commitments (continued)

The Union contributes to ARF, a range between 10% and 16% of gross salary for former members of the University of Sydney Union Superannuation Fund (USUF) and 3% for certain other employees where relevant award provisions apply. For new members of ARF, the Union contributes 10% of gross salary providing that the member contributes at least 1% of their salary. New members contributing less than 1% will only receive contributions equal to the current SGC requirement.

Note 15. Events subsequent to reporting date

As at the date of this report The Union continues to negotiate SSAF funding for 2020 with the University of Sydney. During the 2019 calendar year the Union received \$3,888,246; it is the Directors' expectation that the Union will receive a similar amount for the 2020 calendar year. The Funding agreement is anticipated to be finalised with the University of Sydney before the end of June 2020.

Subsequent to year end, COVID-19 has been declared a global pandemic and the Australian government has issued specific restrictions on social gatherings and the closure of non-essential businesses in March 2020. In response, the University of Sydney has temporarily restricted access to the campus and cancelled all University events from 16 March 2020 and moved teaching online. The University of Sydney Union has temporarily closed down the majority of its venues until these restrictions are lifted which has severely impacted the operations of the Union. The full extent of the financial impact is unknown however the restrictions have had a significant impact on revenue earned from the sale of goods and services and rental income by the Union. The pandemic has also had a significant impact on the fair value of the investments held by The University of Sydney Union – refer to note 9.

Other than that noted above, there have been no material events after the reporting date.

Note 16. Entity details

The registered office of the Union is Level 5, Holme Building, Science Road, University of Sydney, NSW 2006. The principal place of business of the Union is within the grounds of the University of Sydney, NSW, Australia.

Note 18. Key management personnel

All remuneration paid to directors and executives is valued at cost to the Union and expensed. The Union complies with all mandatory statutory requirements in respect of superannuation and workers compensation insurance.

Details of the remuneration of the directors and executive officers are as follows.

(a) Directors

Liliana Tai	Hengjie Sun	Decheng Sun	Caitlin Brown
Adam Torres	Maya Eswaran	Jane Drummond	Di Wang
Claudia Gulbransen- Diaz	Lachlan Finch	Marie Leech	Yinfeng Shen
Zhixian Wang	Connor Wherrett	Courtney Thompson	Zizheng Bai
Jacob Masina	Zimeng Ye	Nicholas Forbutt	Ruolin Ma

The names of each person holding the position of director of the Union during the year were:

(b) Key management personnel compensation

	Salary	Superannuation	Benefits	Total
Directors	\$	\$	\$	\$
2019	116,535	6,705	-	123,240
2018	114,301	-	-	114,301
Other key management personnel				
2019	1,586,565	125,849	-	1,712,413
2018	1,491,042	120,186	-	1,611,228

The employment conditions of the chief executive officer and specified executives are formalised in contracts of employment. The duties of directors are specified in the regulations of the Union and directors are appointed for a two year term following elections.

(c) Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. During the year there were no other transactions.

The University of Sydney Union
Directors' Declaration
31 December 2019

In the Directors' opinion:

- 1) the attached financial statements, comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulation 2013 (ACNC Regulation 2013)*; and
 - b) give a true and fair view of the Union's financial position as at 31 December 2019 and of its performance for the financial year ended on that date; and
- 2) there are reasonable grounds to believe that the Union will be able to pay its debts as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the ACNC Regulation 2013 on behalf of the Directors by:



Connor Wherrett
Director



Maya Eswaran
Director

Sydney
Date: 22 May 2020

Thank you*

Our proceeds go directly towards providing and improving programs, services and spaces for all students at USYD.