

FINANCIAL STATEMENTS FOR CONTROLLED ENTITIES FOR THE YEAR ENDED 31 DECEMBER 2012

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This is a supplementary volume to the University of Sydney's 2012 Annual Report. The full annual report is available at sydney.edu.au/about/publications/annual_report

Bandwidth Foundry International Pty Limited

ACN 125 105 857

Financial Statements

for the year ended 31 December 2012

Bandwidth Foundry International Pty Limited ACN 125 105 857 Financial Statements - 31 December 2012

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The Directors of the Company hereby declare that.

- (a) The linarcial stotements are notes as out on the effected pages:
 - tomply with Australian Accounting Statelards (including the Australian Accounting Interpretations), the Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2010; and
 - (ii) give a two and fair view of the Shancle' position as at 31 December 2012 and of the performance for the year ended on that data.
- (b) At the date of signing this declaration, we are not aware of any circumstances which would render any paraculars included in the financial statements to be misleading or inaccurate.

This declaration is made in accordance with a resolution of the Directors of the Board,

On Edual of the Directors

SCALGAING Director

Sydney, New South Wales

Daled this

16 se say of April

2013

Director

Sydney, New South Wales

Poled this day of 2013

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Sec.1.3

The Directors of the Campany nereby declare that

- (a) The financial statements and notes set option the altached pages.
 - comply well Additation Accounting Standards (including the Australian Accounting Interpretations), the Public Evidence and Audit Act 1983 and Public Evidence and Aurit Regulation 2010, and
 - give a true and fair view of the financial position as at 31 December 2012 and of the performance for the year ended on that date
- (b) All the date of signing this declaration, we are not aware of any proprietations would would render any particulars, included is the financial stationants to be misleading or inaccorate.

This declaration is made in accordance with a mentioned of the Directors of the Board

On bohalf of the Directors

Director

Sydney, New	Scath Wa	iles.					
Cated this			day of		2013		
t Drecio:		6.5		:	• •	1. 1. 1. 1. 1.	 -

Sydney, New Scoln Wales

Dated this	đay oʻ	2013

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INDEPENDENT AUDITOR'S REPORT

Bandwidth Foundry International Pty Limited

To Members of the New South Wates Parliament.

I have audited the accompanying financial statements of Bandwidth Foundry International Pty Limited (the Company) which comprise the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of changes in equily and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opmon, the financial statements,

- give a frue and fair view of the financial position of the Company as at 31 December 2012, and
 of its ficancial performance and its cash flows for the year then ended in accordance with
 Australian Accounting Standards.
- are in accordance with section 418 of the Public Finance and Audit Act 1983 (the PF&A Act) and the Public Finance and Audit Regulation 2010

My opinion should be read in conjunction with the rest of this report.

The Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements that give a true and fair wew in accordance with Australian Accounting Standards and the PF&A Act and for such internal control as the Directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to auolit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making these risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as we liss evaluating the overall presentation of the financial statements.

• believe the apolit evidence if have obtained is sufficient and appropriate to provide a pasis for my audit, opinion. My opinion does hat provide assurance:

- about the future viability of the Company.
- that it has carried out its ability kes effectively, efficiently and economically.
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented.
- about any other informal on which may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing. Standards and other relevant ethical pronouncements. The PF8A Act further promotes independence by

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Audilor-General as auditor of public sector agencies, but precluding the provision
 of non-audit services. Plus ensuring the Auditor-General and the Audit Office of New South
 Wales are not compromised in their roles by the possibility of using clients or income

Luind.

C . Giumetti Director, Frnancial Audit Services

18 April 2013 SYDNEY

Sandwidth Foundry International Pty Limited Statement of Comprehensive Income For the year ended 31 December 2012

	Notes	2012 \$	2011 \$
Income frem continuing operations			
Sales revenue EIF grant - University of Sydney Operating grant - University of Sydney NCRIS grant - Macquario University Interest Other revenue		112,303 379,500 340,000 - 3,954 48,858	125,540 748,500 575,000 9,438 <u>17,879</u>
Total revenue from continuing operations		884,615	1,476,357
Gains/(losses) on disposal of assets Total income from continuing operations		2,750 887.365	1,476,357
Employee related expenses Consumables Depreciation Repars and maintenance Rent Utrities Other expenses	3.	(366,817) (33,869) (221,097) (166,236) (148,074) (131,656) (45,218)	(343,500) (32,115) (247,765) (307,268) (143,151) (91,874) (81,185)
Total expenses from continuing operations		(1,112,967)	(1,246,956)
Operating result before income tax	2	(225,602) (904)	229.399 (34,015)
income (ax income/ (expense)	2	1904]	(33)0 (B)
Operating result after income tax for the year		(225,506)	<u>. 194.</u> 363
Not operating result attributable to mombers of Bandwidth Foundry International Pty Limited		(225,506)	194,383
Other comprehensive moorne for the year		<u> </u>	
Total comprohensive income altributable to members of Bandvadth Foundry International Pty Limited		(226,506)	194,383

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

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Bandwidth Foundry International Pty Limitod Statement of Financial Position As at 31 December 2012

	Notes	2012 \$	2011 5
ASSETS		·	·
Current assets			
Cash and cash equivalents	4	212,876	169. 129
Trade and other receivables	5	8,088	36,452
Inventorios	-	22,559	21,008
Total current assets	-	243,523	246.589
Non-current assets			
Property, plant and equipment	ñ	261,253	462.350
Deterred lex assess	7.	<u> </u>	<u> </u>
Total non-current assets	-	261,253	482,350
TOTAL ASSETS	-	504,776	728,639
LIABILITIE5			
Current liabitities			
Trade and other payables	в	145,622	136.140
Current tax habilities		•	35,016
Provision for long service leave		44,002	38.668
Provision for annual leave	-	56,052	33,519
Total current liabilities	-	245, <u>686</u>	243,343
Total non-current l-abilities		D	0
TOTAL LIABILITIES		245,686	243,343
NET ASSETS		259,090	485,596
EQUITY			
Contributed equity	9	1	1
Relained earnings		259,089	485,595
TOTAL EQUITY		259.090	485.593

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

	Contributed equity \$	Rotained earnings \$	Total equity \$
Balance at 1 January 2011	1	291,212	291,213
Operating result for the year	-	194,383	194,383
Other comprehensive income for the year			·
Balance at 31 December 2011	1	485,595	48 <u>5,596</u>
Batance at 1 January 2012	1	485,595	485,596
Operating result for the year	-	(226,505)	(226,506)
Other comprehensive income for the year			
Balance at 31 December 2012	1	259,089	259,090

The above statement of changes in equity should be read in conjunction with the occompanying roles.

Bandwidth Foundry International Pty Limited Statement of Cash Flows For the year ended 31 December 2012

	Notes	2012 \$	2011 5
Cash flows from operating activities			
Receipts from customers		174,525	140,130
Payments to suppliers (inclusive of goods and services (axi))		(493,718)	(668,358)
Payments for employee related expenses		(347,344)	(402,263)
Income tax paid		(35,920]	
Grants received from The University of Sydney		719,500	748,500
NCRIS grant received from Macquarie University			575.000
Interest received		3,954	9,436
Net cash provided by/(used in) operating activities	17	20,997	402,447
Cash flows from investing activities			
Payment for purchase of property, plant and equipment			(316,918)
Proceeds from sale of property, plant and equipment		2,750	
Not cash provided by/[used in) invasiing activities		2,750	(316,918)
Net increase (decrease) in cash and cash equivalents		23,747	85,529
Cash and cash equivalents at the beginning of the period		169,129	103,600
Cash and cash equivalents at end of year	4	212,876	189 <u>,129</u>

The above statement of cash flows stroutd be read in conjunction with the accompanying uples.

1 Summary of significant accounting policies

Triese financial statements are general purpose financial statements that have been prepared in accordance with the Public Finance and Audit Act 1983 and the Public Finance and Audit Regulation 2010 and Australian Accounting Standards (including Australian Accounting Interpretations)

The financial statements were authorised for issue by the Board on the date on which the accompanying Cirectors' Declaration was signed. The financial statements will not be amended and reissued as they have been audited.

(a) Basis of preparation

The financial statements have been prepared on an accruate basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied

The financial statements are presented in Australian Dollars and all values are rounded to the nearest dollar.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates — It also requires management to exercise its judgement in the process of applying the company's accounting policies

The directors and management evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(b) Going concern basis

The financial statements have been prepared on a going concern basis. The Directors have received a guarantee of financial support from the parent entity whereby The University of Sydwey agrees for the period to 30 April 2014 to ment any liabilities incurred by the Company in accordance with an annual budget approved by the Deputy Vice-Chancellor (DVC Research) of the University. The guarantee is rescuided if the Company exceeds its approved budget, unless approved by the DVC Research.

(c) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jamsdiction adjusted by changes in deferred tax essets and kabilities attributable to temporary differences and to unused tax losses.

Deferred income (ax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and tradities and their carrying amounts in the financial statements. However, the defend income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects reither accounting cor taxable profit or loss. Deterred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax is action.

Deterred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that Induce taxable amounts will be available to utilise those temporary differences and losses

Deferred tax assets and NatiAffies are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax LabiAfies are offset where the entity has a legally enforceable right to offset and intends either to settle on a set basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax balances altributable to amounts recognised circuity in equily are also recognised directly in equity.

(d) Property, plant and equipment

Assets include plant and equipment, computers, process equipment and low value items. These series are recorded at cost and depreciated from the point at which the asset is ready for use

1 Summary of significant accounting policies (continued)

Depreciation is calculated on a straight line basis. The depreciation rates are based on the estimated useful lives of the various classes of assets employed. Depreciation rates applied at the date of this report range from 10% to 33,33% based on the nature of asset.

e) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(I) Revenue recognition

Revenue from the sale of goods is recognised upon the delivery of goods to customers. Revenue is measured at the faktivature of the consideration received or receivable and is stated not of the amount of goods and services law. Amounts disclosed as revenue are not of returns, trade allowances, rebates and amounts collected on behalf of third parties.

Revenue from the rendering of services is recognized upon the derivery of the services to the customers.

(g) Goods and Services Tax

Revenues, expenses and assets are recognised not of the amount of GS1, except where the amount of GST incurred is not recoverable from the Australian Taxation Office – In these circumstances 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 receivable from, or payable to, the texation authority is included with other receivables or payables in the statement of financial possion. Cash flows are presented on a gross basis.

(h) Trade and other receivables

Trade and other receivables are recognised at the amounts receivable and are generally due for settlement in no more than 30 days. The collectability of receivables is assessed at year and and specific provision is made for any doubitul accounts.

(i) Trade and other payables

Trade and other payables, including accruals not yet billed, represent habitities for goods and services provided to the Company prior to the end of reporting period — These amounts are unsecured and are usually settled with:n 30 days of recognition

(i) Employee entitlements

The total liability in respect of employee entitlements of staff has been brought to account in accordance with AASE 119. Employee entitlements comprising annual leave and long service leave have been fully provided. Liabilities for annual leave and long service leave are recognised and incasured based on staff leave entitlements at reporting date and calculated at pay rates expected to be paid and payable. The provision for annual leave and long service leave is recognised as a current liability. The provision for long service leave is not expected to be settled in the ensuing year.

(k) Comparative figures

Where required by accounting standards and business requirements, comparative figures have been adjusted or reclassified to conform with the changes in presentation for the content financial police.

(i) New accounting standards and interpretations

At the reporting cate, a number of new accounting standards and interpretations have been issued that are not yet operative and have not been early adopted by the Company.

The Company has elected not to early adopt any of these standards and interpretations as they are either not relevant ne have no impact on the financial report for 2012. Similarly application from 2013 is not expected to impact the financial results for annual reporting pences beginning on or offer 1 January.

2 Income tax expense/(income)

	2012 \$	2043 \$
(a) Income tax expense/(income)		
Income tax expense/(income) in relation to current period taxable profit Pilor period tax losses now bronglig to account Income tax underprovided in the prior year	<u>904</u> 904	67,856 (32,840)
Reconciliation of income tax expense (income) to other comprehensive income		
Operating result from continuing operations before income tax expense	(225,602)	229,399
Tax at the Australian tax rate of 30%	(67,681)	68,820
Ong nation and reversal of laning differences		(964)
Income tax under provided in the prior year	904	-
Tax effect of amounts not brought to account as a deferred tax assol	67.681	-
Pnor period tax fosses now brrughl to ancount	<u> </u>	(32,840)
Tolal income tax expense	904	35,016

3 Other expenses

	2012 \$	2014 S
Communications	B,912	15,852
Audit fees, bank charges, legal and insurance costs	14,545	23,902
Cost of goods sold	7,949	9.321
Travel expenses	10,398	22.265
Olher expenses	3,414	9,845
	45,218	81,485

4 Cesh and cash equivalents

	2012 \$	2011 \$
Cash on hand	152	185
Cash at bank	212,724	168,944
Total cash and cash equivalents	212.876	189,129

5 Trade and other receivables

	2012	2011
	\$	\$
Trade debtors	7,188	22.806
GST receivable		12,746
Security deposit part		900
		36,452

6 Non-current assets - Property, plant and equipment

Year ended 31 December 2011	NCRIS (Installation e 5	Computor Iquipment \$		Plant and fixtures S	Other assete \$	Low value pool assets \$	Total S
Opening not book amount Additions	85,978 -	1,801	45.541	175,755 316,916	2,262	860	413,197 315,918
Depreciation charge for the period Closeng net book amount	(50,115) 35,863	<u>(550)</u> <u>85</u> 1	(<u>104,954)</u> <u>40,587</u>	(89,776) 403,897	<u>(1,</u> 462) <u>810</u>	<u>(518)</u> 342	(2 <u>47,765)</u> 482_350
As at 31 Gocember 2011 Cost	239,530	11,017	514,272	570,850	7,258	3.621	1.346.548
Accumulated depreciation Net book amount	(203,667) 35,663	(1 <u>0, 166)</u> 851	<u>(473,685)</u> <u>40,587</u>	(\$ <u>66,953)</u> 403,897	(6,44 <u>6)</u> 810	(3,279) 342	(854,198) 482,350
Year onded 31 December 2012	NCRIS Installation \$	Compute equipme \$	r Process nt equipment \$	Plant and fixtures \$	Other assets 5	Low value pool essets \$	Total \$
Year ended 31 December 2012 Opening net book arroont Additions		n equipme \$	nt equipment \$	fixtures \$	Other assets	pool assets	
Opening act took arrount	installation \$	n equipmen \$ 3 85 	nt equipment 40.587 <u>81 (38.776)</u>	fixtures \$ 403,897 (147,371)	Other assets 5	pool assets \$	\$
Opening net book arrount Additions Depreciation	installation \$ 35,863 	n equipmen \$ 3 85 	nt equipment 40.587 <u>81 (38.776)</u>	fixtures \$ 403,897 (147,371)	Other assets 5 810	pool assets \$ 342 (316).	\$ 492 350 (221.097)

7 Deferred tax assets

	2012 \$	2011 S
Total deferred tax assols		-
Movements of deferred tax assets not brought to account		
Opening balance Assets not recognised during the year Tax losses taken to account	106.552 67.681	91,877 47,515 <u>(32,840)</u>
Closing balance	174,233	106,652
Timing differences Tax losses	25,383 148.850	284 105,268
	174,233	106.552

These benefits will only be obtained if the company derives the necessary future assessable moonic and capital gains and there are no adverse changes in relevant income tax legislation.

8 Trade and other payables

	2012 \$	2011 S
Inter company payables - University of Sydney	46,261	71,262
Trade payables	77,904	55,358
GST payable	8,457	-
Accrued expenses	13,000	9,520
Total trade and other payables	145,622	136,140

Trade payables above include \$62 155 due to The University of Sydney.

9 Contributed equity

	2012	2011	2012	2011
	Shares	Shares	\$	\$
Ordinary shares Fully paid	<u>2</u>	2	<u> </u>	<u>1</u>

10 Remuneration of auditors

During the year the following tees were paid or payable for services provided by the auditors of the company.

	2012 5	2011 \$
Audi' services The Audi' Office of New South Wales	<u> </u>	7,500

11 Contingencies

The Company has no contingent liab/ities as at 31 December 2012

12 Commitments

(a) Operating lease commitments	2012 \$	2011 \$
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as fo¥ows: Within one year	121,487	1 8 ,750
(b) Non payroll expenditure commitments		
Contractual obigation for future repair and maintenance Within one year	43,868	45,074
Note: Commintents are GST inclusive		

13 Related party transactions

(a) Parent ontity

The witimate Australian parent entity is The University of Sydney which at 31 December 2012 owns all the issued ordinary sharos of Bandwidth Foundry International Pty Ltd. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

	2012 S	2011 \$
Grants received from The University of Sydney Sales and other income	719,600 <u>17,</u> 572	748.500 14,660
	737,072	763,380

(b) Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties

Corront payables (parchases of goods) Amount owed to The University of Sydney Trade payables due to The University of Sydney	45,260 62,155 106,415	71,262 16,500 87,762
14 Key management personnel		
	2012 S	2011 S
Aggregate rem.meration of detectors and other key personnel	153,481	150,457

The amounts shown in this note is in respect of key management personnel. The directors receive no remuneration from the company

15 Economic dependency

The company is economically dependent on The University of Sydney, During the year ended 31 December 2012, 84% of the company's revenue was sourced from the University

16 Financial risk management

The company's principal 6 randia' instruments compase trade and other receivables and trade and other payables.

Risk exposures

The company's activities expose if to relatively few tinancial risks credit rick and liquidity risk. The company's overall risk management program focuses on the identification and analysis of the risks faced by the company to monitor risks and set controls to minimise potential adverse offects on the financial performance of the company.

The company is not exposed to any interest risk

(a) Crodit risk

The credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises only from the company's trade receivables.

The company does not have any segmicant nak exposure to any single counterparty.

The carrying propuls of financial assets recorded in the balance sheet represents the company's maximum risk exposure to credit risk

The company does not hold any scourties or guarantees

(b) Liquidity risk

Liquidity risk is the risk that the company will not be able to most its financial obligations as they fall due

The company has a 'letter of comfort' from The University of Sydney guaranteeing the payment of its budgeted liabilities. Accordingly, there is mountal liquidity risk.

The following tables summarise the maturity profile of the company's financial assets and financial liabilities

AL 31 December 2012	Average interest	Variablo Interest	Less than 1 year	Between 1 end 5 years	Оүрг б усагв	Total
	*4	%	\$	\$	\$	\$
Financial Assets						
Cash and cash equivalents Receivables Total financial assets	4 00		212.876 7,188 220,064		- 	212,876
Financial Liabilities						
Payables Total financial liabilities	·		<u></u>		·:	<u>137,166</u> 137,166

16 Financial disk management (continued)

At 31 December 2015	Average Interest	Variable interest	Less than 1 year	Between 1 and 5 years	Over 5 years	Tolai
	%	86	\$	\$	\$	ş
Financial Assets						
Cash and cash equivalents Receivables Totat financial assets	4 25		189.129 22.805 211.935			189,129 22,606 211,935
Financial Liabilities Payablos Total financial liabilities	 	<u></u>	<u>136,142</u> 135,142	<u> </u>		. <u>136,14</u> 2 135,142

(c) Fair value

Casi: and cash equivalents, trade and other receivables and trade and other psyables are short term instruments in nature whose carrying amount is equivalent to fair value. The Company has no other triancial instruments measured at fair value.

17 Reconciliation of operating result for the period to net cash inflow from operating activities

	2012	2011
	5	5
Not operating result	(226.506)	194,383
Depreciation	221,097	247,765
Change in operating assets and babilities :		
(Increase)/decrease in trade debtors and other receivables	28,364	(3,289)
(Increase)/decrease in inventories	(1,551)	(7,773)
Increase/(decrease) in trade and other payables	17,885	(80,085)
Increase/(decrease) in employee related provisions	19,474	16,430
(Gain)/loss on disposal of assets	(2,750)	-
Increase/(decrease) in current tax kability	(35.018)	35,016
Net cash inflow/(outflow) from operating activities	20,997	402,447

18 Company details

Bandwidth Foundry International Pty limited is incorporated in Australia. The registered office of the company is level 3. Margaret Telfer Building, 71-79 Arundel Street, Globe NSW 2037

The pencipal place of business is Australian Technology Park, Su4e G03, 1 Central Avonue Eveleigh, NSW 2015

(End of Audited Financial Statements)

Sydney Talent Pty Limited

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Financial Statements for the year ended 31 December 2012

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Sydney Talent Pty Limited ACN 128 987 073 Financial Statements - 31 December 2012

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Directors' Report

Sydney Talent Pty Limited is an Australian Proprietary Limited Company incorporated on 16 January 2008.

The directors present their report logether with the financial statements for the year ended 31 December 2012.

Directora

Armstrong, Cerrick Jenniaon Qualifications and experience BA, MA, PrD Deputy Vice Charcellor (Education) and Registrarial the University of Sydney.

Resigned 4 April 2012

Austin, Jordi Anno Qualifications and experience BA (Rons) M.Psych(Clin) MAPS Clin Coll. Director: Student Support Services at the University of Sydney.

Resigned 10 May 2012

Carlin, Tyrone Michael Qualifications and experience 8Com LLB (Hons), MCom (Hons), LLM, PHD, Grad Dipfin S A, CA, FCPA, FFin Pro-Vice Charleedor (Education Operations) and Opputy Dear of the University Business School

Appointed 20 March 2012

Easdown, William Matheton Qualifications and experience BBLs, CA Deputy Chrot Financial Officer & Director Corporate Finance at the University of Sydney.

Appointed 20 March 2012

Good, Michael Alan Qualifications and experience BCA, F Fig. MAICD Director of Commercial Subsidiaries, Investments & Capital Management of the University of Sydney Chairman Basdwidth Foundry International Pty Linsted, Director Sport Knowledge Australia Pty Linided, NuElora P/L

Alternate Director, resigned 12 August 2012.

Oakeshott, Jane Catherine *Quellications and experience* BA, LLB, Dip Ed Senior Advisor, Government Relations at the University of Sydnay

Appointed 20 March 2012

Streater, Colin David Qualifications and experience BCom, GradC-pSusAd, GAICD

Detector of Human Resources. University of Sydney

Resigned 27 June 2012

Company secretary

Keans, Moira Qualifications and experience BSC (Honi, MComm, UPA with experience in secon accounting and linearcia) roles

Resigned 23 February 2012

From 23 Fabruary 2012, the company secretarial role is being performed by a university employee who has been seconded to the company.

Meetings of directors

	No. of Board Meetings		
Aunstrung, Darrick Jennison	Ethgrble 1	Attended 1	
Auslin, Jordi Anne	2	2	
Carlo, Tyrone Michael	5	5	
Easdown, William Mothegan	5	5	
Good, Michael Alan	0	Ó	
Dakeshoti, Jane Gatherine	5	5	
Streeter, Colin Dawd	2	2	

Operating result for the year

The operating result for the year was a surplus of \$211,572 (2011, Deficit \$ 214,926).

Review of Operations

A review of the company operations during the year and the results of those operations are as follows

The company's operations during the period performed as expected in the opinion of the directors

Significant changes in the state of affairs

There were no significant changes in the state of altains of Syldney Talent Ply Limited that occurred during the financial year other than as set out in this Directors, report

Principal activities

The principal Aduates of the company during the course of the year word to promote the advancement of the education of students of the University of Sydney two-ugh the provision of employment opportunities. This will assist students to pursue their students whilst enhancing their experience as shudents of the University.

There have been no significant changes in the nature of these activities during the year.

Subsequent Events

Unioss otherways disclosed, there are no other matters or circumstances that have ansen since the end of the financial year. That have affected or may subsequently affect the financial position of the company.

Future developments

Likely developments in the operations of the Company and the opproted results of track operations in Source financial years have not been included or this report as the inclusion of such information is likely to result in unreasonable prejudice to the company

Environmental regulations

The Company's operations are not regulated by any significant contrommental regulation under a law of the Commonwealth or of a State or Territory

Dividends

There were no doublends or distributions paid or proposed during the year and up to the date of this report.

Options

No options over issued shares or interests in the Company were granted dwring or since the end of the financial year. Furthermore, there were no options outstanding at the date of this report.

Indemnification of officers

The company has obtained appropriate insurance in respect of all Oriectors and senior executives against all labilities to other personal 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 lotal insurance cover the company has with the University of Sydney.

Proceedings on behalf of the Company

No person has applied for leave of Court to bring proceedings on bobbil of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of these proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's independence declaration

The auditor's independence declaration for the year ended 31 December 2012 as required under section 307C of the Corporations Act 2007 is attached

This report is signed in accordance with a resolution of the Directors of the Board

On behalf of the Deectors

Director

se Carlas

Director

	Sould Wates		a 1	
Dated this	4-42-	day of	April	2013



To the Ourectors Sydney Talent Pty Limited

Auditor's Independence Declaration

As addition for the addit of the financial statements of Sydney Talent Pty Limited for the year ended 31 December 2012, I declare that, to the cest of my knowledge and belief, there have been no contraventions of

- The auditor independence requirements of the Corporations Act 2004 in relation to the audit, and
- any applicable code of professional conduct in relation to the audit.

unt

C U Glumela Director, Financial Audit Services

4 April 2013 SYONEY

George Style Mangalest, Storeng, Sydney NSW 2000 (Conversion 1996), "New Source (Conversion 1997), "State of the Providence of the State of the Stat

The Exectors of the Company hereby declare that:

- (a) The financial statements and notes set out on the attached pages are in accordance with the Conjointions Act 2001 and
 - comply with Australian Accounting Standards (including Australian Accounting Interpretations), the Corporations Regulations 2001, Public Financia and Audit Act 1983 and Public Finance and Audit Regulation 2010; and
 - (in give a true and fair view of the company's financial position as at 31 December 2012 and of the performance for the year ended on that date.
- (b) In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- (c) At the date of signing this declaration, we are not aware of any circuits lances which would render any particulars, included in the financial report to be misleading or inaccurate.

Tois declaration is made in accordance with a resolution of the Directors of the Board.

On behalf of the Directors

Director

la Charlett

Delector

Sydney, New South Walks Dates this $4 \sqrt{5}$ day of h_{p} , $\frac{1}{2013}$



INDEPENDENT AUDITOR'S REPORT

Sydney Talent Pty Limited

To Mompors of the New South Wales Parliament and Members of Sydney Talent Ply Limited.

I have addited the accompanying imancial statements of Sydney Talent Pty Univied (the Company), which comprise the statement of financial position as all 31 December 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory unformation and the directors' declaration.

Opinion

to my opinion the financial statements:

- are in accordance with the Corporations Act 2001, including.
 - giving a true and fair view of the Company's financial position as al 31 December 2012, and its performance for the year ended on that cate.
 - complying with Australian Accounting Standards and the Corporations Regulations 2001
- are in accordance with section 41B of the *Public Finance and Audit Act* 1993 (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards. The PF&A Act and the *Corporations* Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the linancial statements that give a true and fair view and that are free from maler al misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit 1 conducted my audit in accordance with Australian Auditing Standards. These Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from malerial misstatement.

An addit involves performing procedures to obtain addit evidence about the amounts and disclosurds in the financial statements. The procedures selected depend on the additor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the additor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design addit procedures that are appropriate in the processing an opimon on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating line overall presentation of the financial statements. I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opin on does not provide assurance:

- about the future viability of the Company.
- that it has carried out its activities effectively, efficiently and economically.
- about the effectiveness of its internal control.
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented.
- about other information that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards, the *Corporations Act 2001* and relevant ethical pronouncoments. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision
 of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South
 Wates are not compromised in their rules by the possibility of losing clients or income.

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of Sydney Tatent Pty Limited on 4 April 2013, would be in the same terms if provided to the directors as at the time of this auditor's report.

C J Gruntelli Director, Financial Audit Services

5 April 2013 SYDNEM

	Notes	2012 \$	2011 \$
Revenue from continuing operations			
Sale of survices Other Income Total revenue from continuing operations	2	2,761,578 56,569 <u>2,840,147</u>	2,888,162 0 2,8 <u>88,162</u>
Employee related expenses Amort sation expenses Contractors and consultants Sales and ronweiling expenses Travel expenses Other expenses Votal expenses Votal expenses Porating result before income tax	3 4 5	(2,520,236) (579) (332) (<u>95,965)</u> (2,617,112) 223,035	(2,933,725) (37,374) (413) (720) (2,269) (128,585) (3,103,090) (214,928)
Income lax expense Coexating result after income tax for the year Operating result attributable to members of Sydney Tatent Pty Limited	6	(11,463) 211,572 211,572	<u>(214,926)</u> (214 ,926 <u>)</u>
Other Comprehensive income for the year Total comprehensive income attributable to inercoers of Sydney Talent Pty Limited	6	211,572	(2:4,928)

The above studement of comprohensive income should be read in conjunction with the accompanying notes.

Sydney Talant Ply Limited Statement of Financial Position As at 31 December 2012

	Notes	2012 5	2011 \$
ASSETS Current assats Cash and cash equivalents Trace and other receivables Total current assats	7 8 _	1 429,545 429,546	1 <u>795,780</u> <u>795,781</u>
Non-current assets Intanyible assets Total non-current assets	10 _		
TOTAL ASSETS	-	429,546	795.781
LIABILITIES Current babilities Trade and other payablos Provisions - Annual leave Total current liabilities	11 -	113,627 <u> </u>	699,324 12,550 7 1 <u>1,874</u>
Non-current lisabilities Deferred tax irabilities TOTAL LIABILITIES	12 _ -	1 <u>1,463</u> 134,067	<u></u>
NET A\$SETS	-	295.479	83,907
EQUITY Contributed equity Relained Earnings TOTAL EQUITY	13 14 _	1 285,478 295,479	1 83,905 83,907

The above statemant of lownerst position should be read in conjunction with the accompariying notes

		Contributed equity	Retained parnings	Total	
	Notes	`\$ `	\$ Č	s	
Balance at 1 January 2011		1	298,834	298,635	
Operating results for the year		-	(214,928)	(214,028)	
Other comprehensive income for like year		-			
Balance at 31 December 2011		1	\$3,905	93.907	
Balance at 1 January 2012		,	83,906	83,907	
Operating results for the year			211,572	211,572	
Other comprehensive income for the year		-	:	-	
Balance at 31 December 2012		1	295,478	295,479	

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

.

Not	ters	2012 \$	2011 \$
Cash flows from operating activities Receipts from customers (inclusive of GS1)		3.143.888	3,284,647
Payments to er playees		(2,518,509)	(2,883,955)
Payments (a suppliers (inclusive of GST)		(463,622)	(288,305)
Not cash (outflow) Inflow from operating activities 2	2	161.757	12,587
Not each (outflow) inflow from investing activities		D _	
Cash Bows from financing activities			
Net movement on intercompany payables		(161,757)	(12,587)
Not cash inflow((outflow) from financing activities		(161,757)	(12.587)
Net increase/ (docroase) in cash and cash equivalents			
Cash and cash equivalents at the beginning of year		1	1

The above statement of cash flows should be read in conjunction with the vecompanying noises

1 Summary of significant accounting policies

These financial statements are general purpose financial statements (bat nave been prepared in accordance with the Public Finance and Audit 1983, the Public Finance and Audit Regulation 2010. Australian Accounting Standards (indexising Australian Accounting interpretations), and the Corporations Act 2001.

The financial statements were authorised for issue by the Board on the date on which the accompanying Directors', Declaration was signed. The statements will not be amended and reissued as they have been aucriad

Basis of preparation

These functor statements have been prepared on an opticals basis and are based on historical costs modified by the revaluation of selected non-current assets financial assets and financial liabilities for which the fair value basis of accounting has been applied.

These financial statements are presented in Austrulian dollars and all values are rounded to the nearost dollar

Critical accounting estimates and judgmente

The proporation of financial statements in conformity with Australian Accounting Standards requires the use of certain orribal accounting estimates — t also requires management to exercise its judgment in the process of applying the Company's accounting pulicies

The Greators and management evaluate estimates and judgements incorporated into the Friendrich statements based on in storical knowledge and best available current information. Estimates assume a reasonable expectation of fulling events and are based on current trends and economic data, obtained internally and externally.

(a) Going concern basis

These Evancial statements have been prepared on a going concern basis. The Directors have received a guarantee of financial support from the parent entity, whereby the University of Sydney agrees for the period to 30 April 2014 to meet any labelities incurred by the company in accordance with an annual budget approved by the Chief Financial Officer (CFO) of the University. The guarantee is resoluted if the company exceeds its approved budget, unless approved by the CFO.

(b) Income tax

The income tax expense or revenue for the period is the fax payable on the correct period's faxable income based on the applicable income tax rate for each juncticion adjusted by changes in deferred fax assets and liabilities attributable to temporary differences and to unused tax losses.

Deterred income tax is provided in full, using the Natvity method, on temporary differences ansing between the lax bases of assets and isabilities and their carrying amounts in the timancial statements. I However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxes e profit or loss. Deferred income tax is determined using fax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax assot is real sed or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is proceive that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and tabilities are offset when there is a legally enforceable right to offset current tax assets and vabilities and when the deferred tax balances relate to the same taxabon authority. Current tax assets and tabilities where the entity has a legally enforceable right to offset and intends either to settie on a net basis, or to realise the asset and settle the trability simultaneously.

Current and deferred tax balances attributable to arrounts racegoised directly in equity are also recognised directly. In equily,

(c) Intangible assets

Intangible assets include mater information Technology (IT) systems that have been purchased. These items are recorded at historical cost and amortised from the point at which the asset is ready for use

Amont sation is calculated on a straight line basis. The amont sation rates and based on the estimated useful lives of the various classes of assets employed. Pro-rate amont sation is charged in the year of purchase and disposal. The empirication rate applied at the date of time report is as follows.

1 Summary of significant accounting policies (continued)

Inlangibles - Information Fechnology (IT) systems : 40 percent per annum

(d) Cash and cash equivalents

The Company uses the bank account of the University of Sydney to receive income and disburse expenses. The Company recognisus a receivable in respect of empoints held by the University on behalf of the Company and a payable in respect of amounts owed to the University by the Company.

(c) Revenue recognition

Revenue from the randoring of services is recognised upon the delivery of the services to the customers. Revenue is mi-asured at the fair value of the consideration received or receivable and its stated net of the amount of goods and services tax (GST). Amounts disclosed as revenue are net of returns, trade allowances, repaids and amounts collected on behalf of third parties.

(I) Goods and Services Tax (GST)

Revenues: expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances it is recognised as part of the cost of acquisition of the esset or as part of the expense.

Receivables and payables are stated indius ve of the amount of GST receivable or payable. The net amount of GST receivables from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position. Cash flows are presented on a gross basis.

(g) Trade and other receivables

Trade and other receivables are recognised at the amounts receivable and are generally due for settlement in no more than 7 days — The collectability of receivables is assessed at year end and specific provision is made for any doubtful accounts.

(h) Trade and other payables

Trank and nine: payables, including accruais not yet billed, represent liabilities for goods and services provided to the Company prior to the end of the reporting period. These amounts are unsecured and are usually solved within 30 days of recognision.

(i) Employee entitlementa

The tulal hability in respect of employee entitlements of staff has been brought to account in accordance with AASB #19. Trapărties for annual leave ave recognised and measured based on staff leave entitiements at reporting date and calculated at pay rates expected to be paid and payable. The provision for annual leave is recognised as a current liability

No provision is recognised for long service leave as yet since the employees of the Company do not have any long service leave entitlements at the end of the year

(j) Comparative figures

Where required by accounting standards and business requirements, comparative figures have been adjusted or reclassified to conform with changes in presentation for the current financial year.

(k) New accounting standards and interpretations

At the reporting date, a number of new accounting standards and interpretations have been issued that are not yet operative and have not been early adopted by the Company.

The Company has elected not to early adopt any of these standards and interpretations as they are either out relevant or trave no impact on the Friancial report for 2012 financial year. Similarly, application from 2010 financial year is not expected to impact the financial results for annual reporting periods beginning on or after 1 January.

Sydney Talent Pty Limited Notes to the Financial Statements For the year ended 31 December 2012 (continued)

2 Revenue from continuing operations

	2012	2011
	5	\$
Hevenue from student employee placements		
University generated revenue	2,026,890	1,663,460
Incustry generated revenue	754,688	1,224,702
Total revenue from continuing operations	2,781,578	2,6688,362
Warved Information Communication Technology charges from University of Sydney	<u>58,569</u> .	0
	2,840,147	2,688,162

3 Employee related expenses

Salarios and on-costs - general Salaries and on-costs - casual	237,147 2,283,089 2,520,236	545.931 <u>2.287,794</u> 2.933,725
4 Amortisation expense		
Amori-sation charge - Software	<u> </u>	37,374
5 Other expenses		
Software and licences Minor equipment, lease and repair expenses Printing stationery and office supplies Provision for impaired recelvables Telecommunications Legal and audit expenses Memberships and subscriptions costs Sundry expenses	54,275 6,886 690 1,128 - 8,200 300 24,485 95,965	63,633 11,738 1,505 (3,795) 5,303 12,864 2,784
6 Income tax expense		
(a) Income lax exponse/ (incomo)		

Income tax expense/ (income) in selation to corrent period (esults	55,447
itecogn tion and reversal of temporary difforences	11,463
Recognition of prior period tax credits now brough to account	<u>(55,447)</u>
	<u> </u>

6 Income tax expense (continued)

	2012 5	2011 \$
Reconcultation of income tax expense/ (income) charged to other comprehensive income		
Operating result before income lax expense	223.035	(214,928)
Tax at the Australian tax rate of 30%	66,910	(64 478)
Tax effect of amounts which are not deductible (faxed e) in calculating taxable income:		
Recognition of prior period tax credits now brought to account	(55,447)	0
Tax effect of amounts not brought to account as a deferred tax assot	<u>·</u>	64,478
Income tax expense	11,463	
7 Cash and cash oquivalents Cash on hand Total cash and cash equivalents		<u>1</u>
8 Trade and other receivables		
Trace debtors	259,666	298,749
Provision for imparament of receivables Net trade receivables	<u>[5,510]</u> 254,156	<u>(4.382;</u> 294,367
Interconcoloury receivables - University of Sydney	174,345	459.752
Ascruad income	•	41 654
Prepaid expenses	1,044	•
Total trade and other receivables	429,545	795,780

Impaired trade receivables

As at 31 December 2012 current receivables with a non-mail value of \$5,510 (2011 \$4.382) were impound.

The amount of the provision that relates to specific provisions was \$5,510 (2011 \$4,382). No general provision was raised for receivables over 90 days

3 to 6 months		1,000
Over 6 months	5,510	3,382
	5,510	4,382

As at 31 December 2012, trade receivables of \$254,156 (2011 \$296,712) word past due but not impaired. These relate to a number of independent, customors on which there is no recent history of defaults.

8 Trade and other receivables (continued)

The ageing of these receivables is as follows:

Under 3 months 3 to 6 months Over 6 months Movements to the provision for impatiment of receivables are as follows:	2012 5 241,553 9,683 2,9 <u>20</u> 254,156	2011 \$ 214,834 25,843
At 1 January Provision for impairment recognised during the year Receivabros written of during the year as uncottectible Unused amount reversed	(4,382) (2,148) 20 <u>1,000</u> (5,510)	(49,007) (4,382) 44,908 <u>4,099</u>
9 Deterred tax assets		
Movements:		
Operang balance	-	
Prior period tax credits now brought to account Loss offset against income tax payable	55,447 (55,447)	
Closing batance	<u> </u>	

Deferred tax asset not brought to account\$420.855 (2017: \$476.302)

Taxise benefits will only be obtained if the company derives the necessary future assessable income and there are no adverse changes in relevant income taxing station.

10 Non-current assets - intangible assets

	Computer software S
Year ended 31 December 2011 Opening hel book amount Amortisation charge Closing net book amount	37,374 <u>(37,374)</u>
At 31 December 2011 Cost Accumulated amortisation Net book amount	+21.338 <u>(12</u> 1,338)

10 Non-current assets - Intangible assets (continued)

11 Trade and other payables

	2012	2017
	\$	S
Intercompany payables - University of Sydney	•	447,173
Taxes payable	25,251	2,358
Accrued expenses	75,665	237,682
Prepard income	12,711	12,711
Total trade and other payables	113,627	699,324

* Yaxes payable comprise PAYG and the Net GST liability

12 Deferred tax liabilities

Assessable temporary differences	11,453	
Movements:		
Opening balance	-	
Accrued expenditure	2,460	
Accounts receivable	(338)	
Intang ble assels and	6,802	
Property, plant and equipment	539	· · ·
Closing balance at 31 December	11,463	

13 Contributed equity

	2012	2011	2012	2014
	Shares	Shares	5	Ş
Ordinery shares Fully paid	<u> </u>	<u></u> <u>1</u>	<u>1</u>	<u> </u>

14 Retained earnings

Movements in retained earnings were as follows.

Opening belance	83,906	288 834
Operating result for the year	211,572	(214 9 <u>28)</u>
Closing balance	295,478	<u>83,90</u> 6

15 Key management personnel disclosures

None of the directors receive any remuneration/benefits. From the company. None of the staff members are considered to be key management personnel

	2012 \$	2011 Ş
Aggregate remoneration of directors and other key personnels	、	

16 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditors of the Company

Audit services The Audit Office of New South Wales		9,300
17 Commitments		
Within one year Lator Shap one year two not later than five years	2.372 <u>3.144</u> 5.516	5,443 5,516 10,959

18 Contingencies

The Company has no known controgent liabilities as at 31 December 2012.

19 Related party transactions

(a) Parent entity

The utilimate Austraken parent entity is the University of Sydney which at 31 December 2012 owns all the issued ordecary shares of Sydney Tatent Pty Limited — Transactions between related parties are on normal commercial forms and conditions no more favourable than those available to other parties unless otherwise stated.

Salas of goods and services Student employee placements	2,026,8901	<u>663 463</u>
Parchases of goods Supply of vacous services	125,863	221,143
Officer transactions		
Sales of goods and services - The Warron Centre for Advanced Engineering Limited	72,158	59,597

(b) Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with the parent entity. University of Sydney

19 Related party transactions (continued)

Corrent recorvables (sales of goods and services) Cutstanding balances ansing from supply of services Intercompany receivables	155,447 129,348 <u>174,345</u> <u>459,759</u>
	329,792 585,107
Current payables (parchases of goods) Intercompany payables Outstanding balances arcsing from supply of services	447,-72 55,285 62,714
	55,285 509,886

 The University has applied nothing off of the inforcempting psychlas and receivables for the first time 2012.

20 Economic dependency

The company depends on the University of Sydney for the majority of its revenue. Curing the year ended 31 December 2012, 73% (2011: 58%) of the company's revenue was sourced from the University.

21 Financial risk management

The company's principal (inancial instruments comprise trade and other receivables and trade and other payables

Risk exposures

The company's activities expose it to relatively few linancial risks, credit risk and liquidity risk. The company's overall risk management program focuses on the stortification and analysis of the risks faced by the company to monitor risks and set controls to minimise potential adverse effects on the financial performance of the company.

The company is not exposed to any interest risk

(a) Crodit risk

The credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises only from the company's trade receivables

The company has receivables from the University of Sydney which is considered a credit worthy countercarty. Other than that, the company does not have any significant risk exposure to any single counterparty.

The carrying amount of financial assets recorded in the balance sheet represents the company's maximum risk exposure to credit risk

The company does not hold any securities or guarantees.

(b) Liquidity risk

Liquidity risk is the risk that the company will not be able to nteet its financial obligations as they fail due.

The company has a fletter of comfort' from the University of Sydney guaranteeing the paymoni of its budgeted liabilities. Accordingly, there is summal liquidity risk

The following tables stromatics the maturity profile of the company's Sciencial assists and financial liabilities

21 Financial risk management (continued)

AL 31 December 2012	Average Interest	Variable interest	Loss than f year	Between 1 and 5 years	Over 5 years	Total
	*	\$	5	\$	3	5
Financial Asset						
Receivables Total financial assets	D 0	0	434,011 434,011	0	<u>e</u>	<u>434.011</u> <u>434.011</u>
Financial Lieblitiee						
Payatles Total financial kabilities	· <u>·</u>		. <u>75,685</u> 75,665	<u> </u>	<u> </u>	<u>75,665</u> 75,665
AL 31 Ovsember 2011	Average Interest	Variable interest	Less than 1 yéar	Between 1 and 5 years	Over 5 years	Total
	%	5	5	\$	\$	\$
Financial Aaael						
Recovaties Total financial assets	· <u>0</u>	<u>0</u>	<u>800.162</u> 800.162	<u> 0</u> : <u> 0</u> :	<u>0</u> <u>0</u>	<u>800,162</u> 800,162
Financial Liabilities						
Payables Total financial liabilities	<u>a</u> Q	2	<u>684,2</u> 54 <u>684,254</u>	0	<u> </u>	684 254 684 254

(c) Fair value Estimation

Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying amount is equivalent to fair value. The Company has no other financial instruments measured at fair value.

22 Reconciliation of operating result for the period to net cash inflow from operating activities

	31 December	31 December
	2012	2011
	•	\$
Operating result for the year	211,572	(214,928)
Amortisation expense		37.374
Provision for couplful debts	1,128	4,382
Change in operating assets and liabilities		
(Increase) / decrease in trade and other (scewables	79,693	119,354
(Decrease) / .ecrease in trade and other payables	(142,099)	56,405
Increase (decrease) in deferred tax liabilities	11,463	
Net cash inflow (outflow) from operating activities	161,757	12,587

23 Company details

Sydney Talent Pty Linkied is incorporated in Australia. The registered office of the Company is fevel 3, Margaret Telfer, Building, 71-79 Arundel Street, Glebe NSW 2037

The principal place of business is 1-3 Ross Street Binding (K05), University of Sydney, NSW 2005.

(Ent) of Audiloid Financial Statements).

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SydneyLearning Pty Limited

Financial Statements for the year ended 31 December 2012

SydneyLearning Pty Limited ACH 129 596 165 Financial Statements - 31 December 2012

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The Directors of the Company hereby declare that

- (1)The finantial statements and notes set out on the attached pages.
 - comply with Austrasian Accounting Standards (including the Austrasian Accounting (ctarpretations), Pable (8) Finance and Audit Act 1953 and Public Finance and Audit Regulation 2010, and
 - (t) give a true and fair view of the company's financial position as at 31 December 2012 and of the performance for the year ended on that date.
- (2)At the date of signing this declaration, we are not aware of any circumstances which would render any paraculars. included in the financial statements to be misleading or maccurate.

Itsis (Araphons' doctaration, is made in accordance with a resolution of the Directors of the Board

Ann Brewar Director

2 day of Argenizons

Dated this

Deanna Beryl Roomann Drector

Galed this

day of

2013

SydneyLearning Pty Limited Directors' Declaration 31 Docembor 2012

The Directors of the Company hereby declare that,

- сų, The financial statements and notes set out on the attached pages.
 - consply with Australian Accounting Standards (including the Australian Accounting Interprotations). Public Filtance and Areat Act 1983 and Public Finance and Audit Regulation 2010, and (a)
 - **(D)** give a true and fair new of the company's liner-ball position as at 31 December 2012 and of the performance for the year ended on that date
- (2) At the viale of signing this declaration, we are not aware of any directorstances which would render any particulars includes in the financial statements to be misleading or inaccurate.

This Official declaration is made in accordance with a resolution of the Directors of the Board

Ann Brewer Director

Dated this

day of

2013

een mann

Deamta Beryi Hoemsaan Director

Coloditis second asy of April 2013



INDEPENDENT AUDITOR'S REPORT

SydneyLearning Pty Limited

To Members of the New South Wates Parlament

I have adoited the accompanying financial statements of SydneyLearning Ply Ltd (the Company), which compase the statement of financial position as at 31 December 2012 the statement of comprehensive income statement of changes in equily and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my optition, the financial statements:

- give a true and fair view of the financial position of the Company as at 31 December 2012, and
 of its financial performance and its cash flows for the year then ended in accordance with
 Australian Accounting Standards
- are in accordance with section 41B of the Public Finance and Audit Act 1983 (the PE&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

The Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Appointing Standards and the PF&A Ap! and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether nue to fraud or error

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Standards require that I compty with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the linancial statements. The procedures selected depend on the auditor's judgement, including the assessment of the insist of material misstatement of the financial statements, whether due to fraud or evidence. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a pasis for my audit opinion.

My opinion does not provide assurance.

- about the future viability of the Company.
- that I has carried out its activities effectively lefficiently and economically.
- about the effectiveness of its internal control.
- about the security and controls over the electronic publication of the audiled tinancial statements on any website where they may be presented.
- about other information which may have been hyper-linked tolfrom the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Augitor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wates are not compromised in their roles by the possibility of losing clients or income.

11.

C J Grunelli Director, Financial Aud:1 Services

4 April 2013. SYDNEY

2012	2011
\$	\$

Revenue from continuing operations

Seles noome Yotal revenue from continuing opurations		<u> </u>	<u>361,909</u> 361,909
Administration charges Contractors and consultants Software and licences Other expenses Leasing expense Advertising and marketing Total expenses from continuing operations		(54,303) (356,951) (23,295) (45,829) (29,323) (20,864) (530,556)	(50,379) (266,885) (14.648) (21,231) - - (353,144)
Profit balore income tax		<u></u>	8,765
income lax (expanse)/ noome	2	(15,902)	(5.079)
Profit/(cos) after memorial		37,106	3,686
Net operating result attributable to members of SydneyLearning Pty Limited		37,106	3.685
Other comprehensive income for the year		<u> </u>	·
Total comprehensive income attributable to members of SydneyLearning Pty Limited			3,686

The above statement of comprehensivo income should be read in conjunction with the accompanying notes.

SydneyLearning Pty Limited Statement of Financial Posiţion As at 31 December 2012

	Notas	2012 \$	2011 \$
ASSETS Current assots Cash and cash equivalents Trade and other receivablos	3	1 425,100	1 406,915
Total cyment assets		425,101	406,916
Non-current assots Deferred tax assets Total non-curront assets	5.		<u>10,749</u> 10,749
TOTAL ASSETS	-	425,101	417.665
LIABILITIES Current liabilities Trade and other payables Current tax tiabilities	6 -	415,085 4,094 420,179,	450,908
Total current flabilities	-	420,179	450.908
Deferred for Indillies Non-current flabilities	7	1.059	<u> </u>
TOTAL LIABILITIES	-	421,238	450,908
NET ASSETS	-	3,863	(33,243)
EQUITY Contributed equity Accumulated profite/(losses) TOTAL EQUITY	А -	1 <u>3,862</u> 3.863_	1 (33,244)

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

SydnoyLearning Pty Limited Statement of Changes in Equity For the year ended 31 December 2012

	Contributed Equity	Rotained earnings	Total
	\$	\$	\$
Balanco at 1 January 2011	1	(36,930)	(36,929)
Operating result for the year		3,665	3,686
Other comprehensive income for the year			
Balance at 31 December 2011	1	(33,344).	(33,243)
Balance at 1 January 2012	1	(33,244)	(33.243)
Operating result for the year		37,105	37,106
Other comprohensive income for the year			<u>-</u>
Balance at 31 December 2012	1	3,862	3,663

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

SydnoyLearning Pty Limited Statement of Cash Flows For the year ended 31 December 2012

	Notas	2012 \$	2011 \$
Cash flows from operating activities Receipts from customers Payments to suppliers		606,359 (272,354)	376,787 (400, <u>335)</u>
Net cash (outflow) inflow from operating activities	16	334.015	(23,548)
Cash flows from financing activities Increase/(decrease) in net ritercompany payables		(334,015)	23.5 <u>48</u>
Not cash (outflow)/inflow from financing activities		(\$34,015)	23.548
Not increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at beginning of year		<u> </u>	1
Cosh and cash equivalents at and of year	з.	1.	1

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

1 Summary of significant accounting policies

These financial statements are general purpose financial statements that have been prepared in accordance with the Public Finance and Audit Act 1983 and the Public Finance and Audit Regulation 2010. Australian Accounting Standards (including Australian Accounting Interpretations).

The financial statements were authorised for issue by the Board on the date on which the accompanying Directors Declaration was signed. The statements will not be amonded and reissued as they have been unafiled

Basis of proparation

These financial statements nave been propared on an accurate basis and is based on historic costs mudified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

These financial statements are presented in Australian Dogers and all values are rounded to the nearest dollar.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. If also requires management to exercise its judgment in the process of applying the company's accounting policies.

The Directors and management evaluate estimates and judgements incorporated into the financial statements based on lastorical knowledge and bast avaitable currest information. Estimatos assume a reasonable expectation of future ovents and are based on current trends and economic data, obtained internally and externally.

(a) Going concern basis

These financial statements have been prepared on a going concern basis. The Directors have received a guarantee of financial support from the parent entity, whereby The University of Sydney agrees for a period till Aprill 2014 to meet any liabilities incurred by the company in accordance with an annual budget approved by the Vice Chance for (VC) of the University. The guarantee is rescinded if the company expends is approved budget, unless approved by the VC

(b) Cash and cash equivalents

The Company uses the bank account of The University of Sydney to receive income and disburse expenses. The Company recognises a receivable in respect of amounts hold by the University on behalf of the Company and a payable in respect of amounts owed to the University by the Company.

(c) Comparative figures

When required by accounting standards and business requirements, comparative 5gures have been adjusted or reclassified to conform with changes in presentation for the current financial year.

The statement of comprehensive income includes for 2016 a reclassification of expenses between administration costs and contracto: and consuling costs. This reclassification has been performed to befor reflect the function and nature of the costs incoursed. The following table shows the reclassifications:

	Original 2015	2012 Reclassification	2012 Revised
Administration charged	\$155,708	(\$106,329)	\$50.379
Contractors and Consultants	\$161,557	\$105,329	\$265,885
· · · · · · · · · · · · · · · ·	\$317,205		\$317,205
!	·		

(d) Income tax

The income tax expense or revenue for the period is the tax payable on the runnent period's taxable income based on the applicable income tax rate for each priodiction adjusted by changes in defended tax assets and fabilities attributable to tomporary differences and to unused tax losses.

Summary of significant accounting policies (continued)

Deferred income tex is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and flatxities and their carrying amounts in the Francish statements. However, the deferred income tax is not accounted for finit atises from initial recognition of an asset or liability in a transaction other than a bus ress combination that of the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using fax rates (and faws) that have been enacted or substantially enacted by the importing date and are expected to apply when the related deferred income fax asset is realised or the deferred income tax liability is settled.

Deferred tex assets are recognized for deductible temporary differences and usused tex lesses only if it is probable that future texable amounts will be evaluable to utilise those temporary differences and lesses.

Deferred tox assets and Sabilities are offset when there is a legally enforceable right to offset current tax assets and flabilities and when the deferred tax belances relate to the same faxilian authority. Current tax assets and tax lightliftica are offset when the deferred tax belances relate to the same faxilian authority. Current tax assets and tax lightliftica are offset when the critic has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the lightliftic basis, or to realise the same faxit settle the lightliftication.

Current and deformed tax balances attributable to amounts recognised directly in equity are also recognised directly in equity

(c) Revenue recognition

Revenue from rendering of service is recognised upon the delivery of the service to the customers. Revenue is measured at the fair value of the consideration received or receivable and is stated net of the amount of goods and services tex. Amounts disclosed as revenue are net of returns, trade allowances, reliates and amounts collected on behalf of third parties.

(f) Goods and Services Tax (GST)

Revenues, expenses and essels are recognised not of the amount of GST, except where the amount of GST incurred is not recoverable from the Austratian Taxation Office (ATO). In these circumstances it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables in the Statement of Financial Position are stated inclusive of the emotilit of GST receivable or payable.

The net amount of GST recoverable front, or payable to, the ATO is included as a current assot or liability in the balance short. Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(g) Trade and other receivables

Trade and other receivables are recognised at the amounts receivable and are genorally due for settlement in no more then 30 days. The collectability of receivables is assessed at year end and specific provision is made for any doubtful accounts.

(h) Trade and other psyables

Trode and other payables, including eccluals not yet haled, represent liabilities for goods and services provided to the Company prior to the end of reporting period. Those amounts are insecured and are usually settled within 30 days of recognition.

(i) Now Accounting standards and interpretations

At the reporting date, a number of new accounting standards and interpretations have onen issued that are not yet operative and have not been early adopted by the Company.

The Company has elected not to early adopt any of these standards and interpretations as they are educe not relevant or have no impact on the financial statements for 2012. Similarly, application from 2013 is not expected to impact the financial results for annual reporting periods beginning on after 1 January.

SydneyLearning Pty Limited Notes to the Financial Statements For the year onded 31 December 2012 (continued)

2 Income lax expense	2012 \$	2011 \$
(a) Inconvitax expense		
Income tax expense in relation to current period results Deferred fax around relating to the orgination and reversal of temporary differences.	14,843 1.059	2,830 2,449
	15,902	<u>6.079</u>
(b) Reconclitation of Incomo tax expense charged to Other Comprehensive Income		
Operating result from centinuing operations before income tax exponse	53,008	0,765
Tax all the applicable Australian (ax rate of 30%) Tax in respect of liming differences	16,902	2,63D 2,449
fnoome tax expense	15,902	5.079
3 Cash and cash equivalents		
Cash on hand	1	1
4 Trade and other receivables		
Net trade receivables Trado dobtors	17, 185	7.430
Provision for unpairment of receivables	-	(3,430)
Net GST receivable	17.231	16,912 20,912
Receivables - University of Sydney	407.869	386.003
Total trade and other receivables	425,100	406,916

As of 31 December 2012, trade receivables of \$17,194 (2011 : \$7,430) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The egeing analysis of these trade receivables is as follows.

	2012 5	2011 S
Up to 3 months 3 to 6 months	9,252 	4,000 <u>3,430</u> 7,430
Movements in the provision for impairment of receivables are as follows:		
	2012 \$	2011 \$
At 1 January	(3,430)	-
Provision for impairment recognised during the year	-	(3,430)
Receivables welten off during the year as uncollectible	3,430	(3.430)

SydneyLearning Pty Limited Notes to the Financial Statomonts For the year ended 31 December 2012 (confinued)

5 Deforred tax assets

The balance comprises temporary differences attributable to:

Tax losses Deducible tempetary difference	<u> </u>	12,478 (1,729)
	<u></u> _	10,749
Movements:		
Operang balance	10,749	15.828
Tax losaes Temporary differences	(12,478) 1,729	(2.630) (2,449)
Closing balance	<u> </u>	10,749

5 Deforred tax assets (continued)

The luture defected for asset relating to fax losses will only be unused if

(a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised,

(b) the conditions for deductibility imposed by tax legislation continue to be complied with and

(c) no changes in tax legislation adversely affect the oncity realising the benefit.

6 Trade and other payables

	2012	2011
• ··· ··· · · · ·	5	\$
Payables - University of Synhoy*		312,148
Accruad expenses**	394,347	97,828
Prepaid moome	21,738	40,932
Total trade and other payables	416.085	450.906

"The University has applied nothing off of the Intercompany payables and receivables for the first time in 2012.

** The balance includes amounts physicle of \$322,421 to the University of Syrbiay for 2012 (\$44,487 for 2011)

7 Doferred Lax liabilities

			2012 \$	2011 \$
Assessable lemporary differences			1,059	
Movements in net deferred income tax assets (liabl	litios) attributable	foc		
Opening balance Accrued expenses Other provisions Intangible assets Closing balance			(160) 1,029 <u>180</u> 1,059	- - -
8 Contributed equily				
	2012 Shares	2011 Sharea	2012 S	2011 \$
Ordinary sheres Fully paid	1	1	1	1

9 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the autôtics of the company:

Audul survices		
The Audit Office of New South Wales	3.700	3,230

10 Contingencies

The Company has no known contingent lisbilities as at 31 December 2012 and up to the date of this report

<u>-</u> _...

11 Commitments

The Company has no known commintents as at 31 December 2012.

12 Related party transactions

(a) Parent entity

Subject of anote and some as

The ultimate Australian parent onity is The University of Sydney which at 31 December 2012 owns all the issued ordinary shares of SydneyLearning Pty Limited. Transactions between related parties are on normal commarcial terms and conditions no more taxeurable than these available to other parties unless otherwise stated.

226,223	106.625
322,421	149,816
2012 5	2011
407,869	366,003
	312,148
	322,421 2012 5 407,869

"The University has applied neiting off of the intercompany payables and receivables for the first time in 2012

13 Key management personnel disclosures

None of the directors receive any romunication or benefits from the company. The officers responsible for directing and controlling the Company are employees of The University of Sydney. These personnel received no remuneration or benefits from the company.

	2012 \$	
Beneral and the state of the second state of t		

Aggrogate remuneration of directors and other key personnel

14 Economic dependency

The company is economically dependent on The University of Sydney. Please refer to the note on "Going Concern" withe summary of significant accounting policies for further internation.

15 Financial Nsk management

The company's principal financial instruments comprise trade and other receivables and trade and other payables.

Risk exposures

The company's aclivibes expose it to relatively few financial risks. The company's overall risk management program focuses on the identification and analysis of the risks faced by the company to monitor risks and set controls to minimise polositial adverse effects on the financial performance of the company.

The company is not exposed to any interest risk.

15 Financial risk management (continued)

(a) Credit risk

The credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to moot its contractual oblightions and arises only from the company's trade receivables.

The Company has uncelvables from The University of Systemy which is considered a creditworthy counterparty. Other than that the Company does not nave any significant risk exposure to any single counterparty.

The carrying amount of financial assets recorded in the statement of financial position represents the company's maximum risk exposure to crodit disk.

The company does not hold any securities or guarantees.

(b) Liquidity risk

Figuiday task is the risk that the company will not be able to meet its financial obligations as they fall due.

The company has a letter of comfort from The University of Sydney guarantoeing the payment of its budgeted liabeites. Accordingly, there is minimal liquidity risk

The following tables summarise the molurity profile of the company's financial assets and financial flabshies.

AL31 December 2012	Average Intercel		Less than 1 year	Between 1 and 6 years	Over 5 yaars	Total
	\$	\$	\$	\$	\$	\$
Financial Astols		•				
Receivables Total (Inancia) assets		<u>;</u>	425.064 425.054		<u>-</u> -	425,054 425,054
Financial Lisbilities						
Payalies		<u>-</u>	394.347			394,347
Total financial liabilities	· · ·		394.347	<u> </u>	<u> </u>	394,347
At 31 December 2011	Average interest	Variable Interost	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
	\$	\$	\$	5	\$	\$
Financial Assets						
Rucuivables Total financial assets		: <u> </u>	<u>393,433</u> 393, <u>433</u>		<u> </u>	<u>393 433</u> 393,433
Finançlat Lizblitles						
Payatios Total financial kabilities		. <u>-</u> .	409,978 409,976		<u>-</u>	409.976

Receivables Payables

(c) Fair value

Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying propert is equivalent to fair value. The Company has no other financial instruments measured at fair value.

16 Reconciliation of operating result for the year to net cash inflow from operating activities

Operating result for the year	37,106	3.686
Provision for doubtful debts	(3,430)	3,430
Chunge in operating assets and liabaties :		
(Inmnase)/decrease in trace debtors 5, other receivables	6,712	(19.052)
(Increase/decrease in deferred tax assets	10,749	5,079
(Decrease)/increase in trade and other payables	277,725	(16.091)
Increase/(decrease) in provision for moome taxes payable	4,094	
Increase/(decrease) in deforred tax habitiles	1,059	<u> </u>
Net cash inflow (outflow) from operating activities	<u>334,015</u>	(23,548)

17 Company details

SydneyLearning Pty kinited is incorporated in Australia. The registered office and principal place of business of the company is:

The Oradrangie A14

L4 47 University Avenue

The University of Sydney NSW 2008

(End of Audited Financial Statements)

The Warren Centre for Advanced Engineering Limited

Financial Statements for the year ended 31 December 2012

The Warren Centre for Advanced Engineering Limited ACN 132 821 888 Financial Statements - 31 December 2012

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Directors' Report

The Warren Centre for Advanced Engineering Lint ted is an Australian public company, Imited by guarantee. If operates as a controlled entity of The University of Sydney and the sole member of the Company is The University of Sydney. The Warren Centre for Advanced Engineering Lintited commenced operations on 19 August 2008.

The Directors present their report together with the financial alatements of The Warren Centre for Advanced Engineering. Um ted for the year anded 31 December 2012.

In 2011 a process commonicad to consolidate the activities undertaken within the environment of The University of Sydney under the normal of The Warren Centre for Advanced Engineeung Limited. In 2012, significant progress was made receiling in on intercompany receivable amount of \$1,479,698 to ng receiprised to thing the residual activities from The Warren Centre for Advanced Engineeung Limited. In 2012, significant progress was made receiling in on intercompany receivable amount of \$1,479,698 to ng receigneed to thing the residual activities from The Warren Centre for Advanced Engineeung Limited. As at 31 December 2012 this receivable has not been received since the process, although close to finalisation, is still received. In addition, there is a residual balance of funde the residuals unallocated.

In addition to the residual funds of The Warren Centre, it is important to note that the University holds funds in fevour of The Warren Centre of \$2.46m as at 31 December 2012 (market value). These funds represent the original capital aum referred to in the Deed Poll executed on 16 February 2009 including the following acknowledge.on):

The University wishes to acknowledge that, in order to reflect the wishes of the donors from whom the Capital Sumwas raised:

(a) the University holds the Capital Sum subject to the conducer that 4 to applied for the promotion of excellance and innovation in engineering through the activities now proposed to be carried on by the Company;

(b) the University has determined to apply the Capital Sum by providing it to the Company, on the basis that payment of all or part of the Capital Sum will be made on request by the Company;

(c) Bie University lines also determined to apply any income referable to any partien of the Capital Sum which has not previously been paid to the Company by providing it to the Company from time to time on request of the Company and, at the and of each financial year, the University will pay to or of the Company for the Company, such amount as the University reasonably considers to be the amount of all remaining income referable to any portion of the Capital Sum which has not previously been paid to the Company, and

(d) if Author funds are denoted to the University to advance the purposes for which the Company has been incorporated, those funds will be added to and form purplet the Capitol Fund.

These funds are hold in trust by The University of Sydney as follows:

	Marivet value at
	31 December
Háimit	2012
Long Term Fund (LFCC2)	673.559
Wedweit Torm Fund (LF003)	1,666,996
Short Term Fund (H8401) - USA Foundation	92,825
Short Term Fund (H3401) - General Donations	37,709
Short Term Fund (H84D1) - Engineering Memoria' Lecture Fund	0.000
	2,460,079

Note: All values are reported as Marital Values consistent with the University's Investments and Capital Management reporting policy.

In addition to the Capital Norm is \$554,635 of uneflocated working equity as a result of the part at complexion of the record liation process reformed to above.

In conclusion, while the Company's accounts show a deficit in not assots, it has access to adequate funds by virtue of the Dood Poll and the residual funds from the consoSidation of past estivities from The Warren Centre Names of Directors

Centeer, Nicholas

Overlifications and experience

BSC. BCIMech): D Phil, GAICD. Currently Executive Director of The Warnen Centre for Advanced Engineering Linked, EX0410100 Coluctes 20 years in industry as an engineer and entrepreneur leading technology and medical device warnup companies and research, instrumentation technology developments and project management with a pulp and paper and industrial gases industries and estronomy research environments.

Appointed & February 2012.

Cox. David Henry

Cusil/Restions and experience

6A, BE, MSc(Soc, FRAnS, Correctly Chail Desisting Officer at the Faculty of Engineering and IY, The University of Sydney, Previews experience includes 23 years with Gentes Airways as Executive General Manager, Cinniau Engineering; Group General Manager, Engineering Technical Operations; Group General Manager, Regional Airlines and Fleet Planning, General Munager, Flort Planning.

Acobined 3 Occambo/ 2009 (alternate for Archie James Johnston).

Dart, ten Ronald

Quel/Testions and experience

BE Mech (Hons). Experience includes 35 years as engineer, General Managar, CEO of an IT as vices company and 13 years as 6 director of the Warren Control.

Appointed 19 August 2006.

Gureau, Michael AM

Qualifications and experience

BE (Chem), MuppScf (Evil Poliution Control), FTSE, Hon FIEAust, FXCAE, CPEng CSc, FAK30, FAK50, FAK50, FAK50, F Includes 40 years in industry in Engineering, Project Management and Sonter Management in Chemical, Woter Controls and Power Generation; Non-Executive Director and Chaliman of Istod and Unitated public and private companies. Ex-Chair of Red R Australia.

Appointed 19 August 2008.

EVERS, Bromwyn Joy

Qualifications and experience

PhD (Elect Eng), &F (Fixe) Hons 1, F EAveA, EngExec, Experience includes 30 years in various angineering rains. Currently a Senior Mice President at Cochlear, Chair of Engineers Australia Centre for Engineering and Leadership (CLEM), past Chair of the Medical Technology Association of Australia (MTAA) and solively involved in other engineering related groups. Currently a Senior Vice President at Cochlear.

Appointed 8 April 2011,

Janssen, Christopher

Qualifications and experiance

M.B., B.S. (University of Sythey), MBA (IMO, Lausanne, Switzerland), Medical Registration FACD. Currency Managing Director of GPC Electronics. Phy Limited and affiliated companies. Providus exponence as a Modical Practicener, President, Director AEEMA (Industry Association). NSW Innovation Council, Federal Government Electronics Industry Action Agenda and Strategic Industries Leaders Broup.

Apported 1 December 2015.

Johnston, Archie Jemes

Qualifications and experience

Fellow of the Australian Academy of Technological Sciences (ATSE) and Engineers Australia. Currently Dean of Engineering and Information Fachnologies and Chair of Health Sciences Divisional Board at The University of Sydney. Chair of the Education Forum of ATSE. Advisor to the Reliance Group of India, and, Advisory Professor to Shanghai Juo Yong University. Follow of the Australian Institute of Company Directors and a Director of the Smart Services CRC and the CRC for Advanced Composite Structures.

Appointed 1 September 2009

Jones, Kathryn Laurel

Qualifications and experience

Original in History and English Literature. Quimently the owner and onnorpal of Kathy Jones and Associates established 2001. Previous experience includes positions as CEO, General Manager, Corporate Communications, and Public Attors Marager in public and private social organisations. Board experiance includes St Johns Ambutance (NSW) and newDemocracy – Member of the Institute of Company Directors, Institute of Public Administration, Property Council of Austra & NSW (served on the Local Government Reform Committee), and National Association of Women in Construction.

Appended 19 August 2009.

Kirby, Michael John

Qualifications and experience

MICD. Quironity Departor/Frustee James N Keby Foundation Ltd. Detector Global Value Technology Ltd.

Appointed 19 August 2008, resigned 17 April 2012.

Leer, John Bassington

Qualifications and experience

BE (Chem), PhD. Professional Engineer with 25 years experience in operations, research, safety and project management Currently Princips Development Manager et Onca.

Appointed 19 August 2006.

McGill, Stuart Russell

BE Chemical, PNO Chemical Engineering: CEng, Euring, FiChemE, FISAnst., Momber SPE, EUREng, Previously, Service Executive Executive Exect Mobili Corp.

Appointed 25 September 2009.

Poole, Martin Leonard

Qvell/ications and experience

BA, MEng, PhD. Currently Managing Director at EPURON P.L. Pravious experience includes position of Vice President of Murket Development for Powenine GES Pty Ltd, consultant to Auméricas energy companies in Australia and UK.

Appointed 19 August 2008

Relation, Hugh Henry AM

Qualifications and experience

BE Axiv. Eng (USYD), ASTC (Mgt), AICD(DIP), FIEArist, FAIM, Experience includes 18 years at GM and MD revelue public and international comparants in Australia and USA, over 39 years on other NFP Buards/Councils, and over 25 years as small bushess owner and MD.

Appointed 19 August 2008.

Rollinson, Robert John

Qualifications and experience

BE(Kons), MEng So, Gred, Dip Mgmi, FIEAust, CPEng. Chairman Sydney Cotchmont Authonity. Exportance includes over 40 years in angreening, intance and management with a strong focus on electricity, water, gas and other infrastructure. Tield Chief and service executive positions in Australia and warnationally and has exportence on a wide range of listed and unlisted public and private company boards.

Appointed 1 March 2011.

Vorwiller, Christopher Charles

Qualifications and experience

BSc, BS (Hons), MBA, ME(Ausi), FTSE. Charman of Appen Buller NC, masgural wisher of the Prime Minister's Exportor-of-the-Yeak. Previously 29 years as a Soniar Executive of Yelstro Corportion, Chatmon of the Pacific Telecommunications Council and Director of Inteset Limited. Named as Entrepreneur of the year by Engineers Austra Ia Sydney Division.

Appointed 19 August 2008.

White, Denis William

Qualifications and experience

BE (UNSW) MEng Sc (UNSW), Fit Charlinan and MD of Parsons Brinckerhoff Australia

Appointed 19 August 2008.

The Warren Centre for Advanced Engineering Limited Directors' Report For the year ended 31 Occember 2012 (conlinued)

All directors held that position as a Director throughout the entire year and up to the date of this report unless otherwise riated.

Company secretary

Keane, Molve BSc, MComm, CPA with experience in senior accounting and financial roles

Appointed 19 August 2008, resigned 16 February 2012.

Menington, Mexandre Mary

BSc (Agr), MEL, Grad Dio App Finance.

Appointed 16 February 2012

Meetings of Directors

The numbers of meetings of the Company's Board of Diroctors and of each used committee held during the year engled 31 Occumper 2012, and the numbers of meetings estimated by each Ovector were:

- Trees stands in the	۰.	· ·	· Melitings of Committees							
		ni Mino 4 Direc A		Man A	080	B	Fin	enco ⇔ Utopi B }	Risk Audite Remuneration A 'B	nd 1
Cemeaz, Nicholas		8	6	5	;	5	1			·
Cox. David Henry		5	5*							
Dart, Ian Rongid		7	6							
Durasu, Michael		7	7	5		5	!			•
Evens, 9ronwyn Joy		7	4				1			
Jenssen, Carlstopher		7	8				1		:	
Johnelon, Archie James		7	2.				÷			
Jones, Kathryn Leunol		7	\$:					
Kirby, Michael John		2	1 .	1		2	•		•	
Losr, John Barrington		,	5.				•			
NoGil, Sturr Russel		7	7 1							
Poole, March Leenard		7	5							•
Relation, Hugh Henry		7	7					1	:	
Rollinson, Robert John		7	8					÷		
Vonwiller, Christopher Charles		7	7	5	•	6		•		
White, Donis William	:	7	4	5	•	٠				

A < Number of meetings Director entitled to attend during the time the Director held office or was a member of the committee during the year 8 = Number of meetings stianded

: .

* David Cox is the Altomate Director for Archie Johnston who was represented at pt Board meetings in 2012.

** The Finance Committee and not most formally in 2012 and carried out all activities by correspondence. Members of the Finance Committee assended two presentations from the Investments and Capital Managoment Team with the Management Committee. The Finance Committee was restructured in October 2012 as a result of the resignation of Michael Kirby from the Board. The Finance Committee is now chared by Donis White with Christopher Janssen, Stuart McGdl and Nick Cemonz as mombers.

""The Risk, Audit and Remmeration Committee of direct mont termally in 2012 and carried out all activates by correspondence. The members of the Risk, Audit and Remunaration Committee in 2012 were Denis White, Archie Jolansion and Ian Dart. Ian Dart stopped into the Chair role and Bromwyn Evans joined the Committee, following Derva White's move to chair the Finance Committee in October 2012.

The Warren Centre for Advanced Englwering Limited Directors' Report For the year ended 31 December 2012 (cochnund)

Oppreting result for the year

The operating result of the Company for the year was a surplus of \$683,832.

Newlew of operations

A review of the Company's operations during the year and the results of these operations are as follows:

The Company ongages and works with industry, government and occidentia, precipally through the Faculty of Engineering and Information Technologies of The University of Sydney, to fester excellence and unrevelop in advanced engineering throughout Australia.

The Company's operations during the year performed as expected in the operator of the Directors.

Significant changes in the state of effaire

During the financial year, the Company continued the process of taking responsibility for activities providually undertaken by the University under the aegis of The Warten Centre. As at 31 December, the process was incomplete.

Principal ectivities

The object of the Company is to engage and work with industry, government and academia, principally through the Feo.ky of Engineering and Information Technologies at The University of Sydney, to feater excellence and -movatic him advanced engineering throughout Austrate

Subsequent events

No known matters or circumstances have alisen since the end of the year which significantly affected or may significantly effect the Company's operations, the results of these operations or the state of alls is of the Company in subsequent financial years.

Future developments

Likuly dovelopments in the operations of the Company and the expected results of inose operations have not been included in these financial scalements as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental regulation

The Company's operations are not regulated by any significant environmental regulation order a law of the Commonwealth or of a State or Territory.

Dividenda

The Company is not for profit and its Constitution prescribes the payment of any distributions or dividends to Methodes under any chourtainces.

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial year. Furthermore, there ware no options outstanding at the date of this report.

Indemnification of Officers

The Company has obtained appropriate insurance to respect of all Oirectors and Social Extensive's applies a disbilities to other persons their may anso from their positions as Directors or executives, except where the table ty arises out of conduct involving a tack of good fact). This insurance is made as part of the insurance cover the Company has with The University of Sydney.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for isays to bring proceedings on behalf of the Company, of to intervane in any proceedings to which the Company is a party for the purpose of teams responsibility on behalf of the Company for all or part of these proceedings.

The Company was not a party to any such proceedings during the year.

The Warren Centre for Advanced Engineering Limited Directors' Report For the year ended 31 December 2012 (continued)

Auditor's Independence Declaration The nuditor's independence declaration for the year ended 31 December 2012, required under the Corporations Act 2007 is etiached.

This Directors' report is signed in accordance with the resolution of Directors of the Coard.

On behalf of the Directors

EVandle

Désctor

Sydney, New Sough Weles Dated thes 11 day of April 2013

Van R Dait Director

Systemy, New South Wales Dalled this 11 Hoar of APR/L 2013



To the Directors The Warren Centre for Advanced Engineering Limited

Auditor's Independence Declaration

As auditor for the audit of the financial statements of The Warren Centre for Advanced Engineering I mited for the year ended 31 December 2012, I declare, to the best of my knowledge and belief, there have been no contraventions of.

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit.
- any applicable code of professional conduct in relation to the audit.

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C J Giumelli Director, Financial Audit Services

10 April 2013 SYDNEY

Creek 15, 1 Myrganel Streek, System NSW 2000 (1977) Frank, Nym w AGM 2011 - 500 (2010) - 100 (1977) (1970) - a marka streek yn ar anwet new maraw

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The Werron Centre for Advanced Engineering Limited Directors' Declaration 31 December 2012

The Directors of the Company hereby declare that

- (1) The Adarchal statements and notes set out on the attached pages are in accordance with the Corporations Act 2004 and;
 - (9) comply with Australian Accounting Standards (including Australian Accounting Interpretations). the Corporations Regulations 2001, the Public Finance and Austr Act 1963, the Public Finance and Audit Regulations 2010, and
 - (b) give a true and fair view of the Company's financial position as at 31 December 2012 and of the performance for the year ended on that date.
- (2) In the Directions' opinion, there are reasonable grounds to bollove that the Company will be able to pay its debts as and when they become due and payable.
- (3) All the date of signing this doctaration, we are not aware of any circumstances which would render any particulars included in the linencial report to be misterioling or inaccurate.

This declaration is made in accordance with a resolution of the Directors.

On bohall of the Directors

a

Director

Sydney, New South Wales 11th day of Bernd Dated this

2013

Jan R Dart

Director

Sydney, New South Walks DALOS THE 14 TH USY UN APRIL 2013



INDEPENDENT AUDITOR'S REPORT

The Warren Centre for Advanced Engineering Limited

To Members of the New South Wales Parliament and Members of The Walren Centre for Advanced Engineering Limited

I have audited the accompanying financial statements of The Warren Centre for Advanced Engineering Limited (the Company), which comprise the statement of financial position as all 31 December 2012, the statement of comprolitions ve income islationeral of changes in equily and statement of cash flows for the year then ended, notes comprising a summary of significant accounting polycles and other explanatory information and the directors' declaration.

Opinion

In my open on the financial statements:

- are in accordance with the Corporations Act 2001, including:
 - giving a true and fair view of the Company's financial position as at 31 December 2012. and is performance for the year ended on that date
 - complying with Australian Accounting Standards and the Corporation's Regulations 2001
- are in accordance with section 419 of the Polylo Finance and Audit Act 1963 (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be reed in conjugation with the rest of this report.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements that give p lace and fair yow in apportance with Australian Accounting Standards, the PF&A Act and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that give a true and fair view and that are fixed from material nesstatement, whether due to 'raud or error

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit 1 conducted. my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial stalements are from material misslatoment.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures. in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether rive to travel or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true (not for view to (other to droug)) augul procedures that are appropriate in the organistances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of ecoupting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

- - -Level 15, 1 Gaugaret Sheet, Svårey NSW 2000 | CASEOU 17, Sydney föret 720 - 112/10/0-10/1 | C. WARD 74/0 | C. M. OKA 64/04 (999) | C. M. Bard 5569 (997)

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I believe the audit evidence I have obtained is sufficient and oppropriate to provide a basis for my audit opinion.

My opinion does not provide assurance.

- about the future viability of the Company.
- Unit it has carried out its activities offectively, efficiently and economically
- about the effectiveness of its internal control.
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information that may have been hyperlinked lotfrom the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Avoiling Standards, the Corporations Act 2001 and relevant ethical pronouncements. The PF&A Act further promotes independence by

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor General as auditor of public sector agencies, but procluding the provision
 of non-audit services, thus ensuring the Auditor-General and the Audit Office of New Soulh
 Wates are not compromised in their roles by the possibility of losing clients or income

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of The Warren Centre for Advanced Engineering Limited on 10 April 2013, would be in the same terms if provided to the directors as at the time of this auditor's report.

On all

C J Giumelli Director, Financia: Aud 1 Services

18 Ap: 12013 SYDNEY

The Waven Centre for Advanced Engineering Limitud Statement of Comprehensive Income For the year ended 31 December 2012

	Nolas	2012 \$	2011 5
Revenue from conflexing operations			
Revenue from continuing operations Commonwealth Government grants	2	1,383,086	703,245 11,897
Investment nome Total revenue from continuing operations		43,204	312,153 1,027,295
Employee banefits expense \$chotarchips and silponds		(395,044) (91)	1252,850)
Contractors and consulting Inforces expense		(210.090)	(451,443) (31,544)
Printing, office supplies and consumables Advantising, promotions and markabing Administration expertses		(41,926) (2,793) (56,337)	(57,391) (32,892)
no mascaba: expenses Trevol exponses Total exponses from configuing operations		(28,337) (28,178) (742,458)	(75,724) (37,157) (938,891)
Operating result for the year		683,832	68.404
Operating result attributable to members of The Werren Centre for Advanced Engineering Limited			89.404
Other comprehensive income for the year			·
Total comprehensive menime for the year attact table to members of The Warron Centre for Advanced Engineering Limited		6\$3,\$32	88,404

The obeve statement of comprehensive iscome should be read in conjunction with the accompanying pales.

The Warren Contro for Advanced Engineering Limited Statement of Financial Position As at 31 December 2012

	Notes	2012 \$	2011 \$
AGSETS Current essets Cash and cash equivalents Trage and other receivables Total current essets	3 5	<u> </u>	1.102.511 1.102.511
Total non-current assets			<u>.</u>
TOTAL ASSETS		<u>_1.550.600</u>	1.102.511
LLASRUITLES Comment flabilities Trade and other payables Provision for annual feave Other current flabilities Total current flabilities	a	1,637,956 10,311 <u>1,669</u> <u>1,660,155</u>	1,879,121 5,312 <u>1,458</u> 1,885,891
Total non-current liabilities		·	<u> </u>
TOTAL LIABELITES		1.690.156	1,085,891
NET ASSETS		(99,546)	(783.389)
EQUITY Roteined samings FOTAL EQUITY		<u>(99.546)</u> . 	(763,380) (7 <u>63,380)</u>

The nearly statement of financial position should be read in conjunction with the accordativity notes.

The Warren Centre for Advanced Engineering Limited Statement of Changes in Equity For the year anded 31 December 2012

	2012 \$	2011 5
Total equity at the beginning of the year	(763,360)	(871,784)
Operating result for the year	680,832	83,40 4
Other comproheneive income for the year Total equity at the end of the financial year	(99,646)	{783,390 <u>}</u>

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

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The Warren Centre for Advanced Engineering Limited Statement of Cash Flows For the year ended 31 Docember 2012

	Noips	2012 \$	2011 \$
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tex)		390,718	669,799
Payments to suppliers (industrie of goods and services tax)		(569.349)	(1.173,837)
Payments to employees (inclusive of goods and services tax)		(399,947)	(232.050)
Net cash (outflow)/inflow from operating activities	4_	1563.878)	(758,488).
Cesh flows from linencing activities			
Net movement on intercompany payables	-	568,678	756,488
Net cash inflow(outliow) from financing activities	-	658,676	756,488
Net Increase in cash and cash equivalents		-	
Cash and cash equivalents at the beginning of the your	-	<u> </u>	·.
Cash and cash equivalents at end of year	з_	<u> </u>	. <u> </u>

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

The Watten Centre for Advanced Engineering Limited Notes to the Financial Statements For the year ended 31 December 2012

1 Summary of significant accounting policies

These financial statements are general purpose financial statements that have been prepared in accordance with the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010, Australian Accounting Standarde (Inducting Australian Accounting Interpretations), and the Corporations Act 2001.

The financial statements were authorised for issue by the Board on the date on which the accompanying Directors' Ouclaration max signed. The statements will not be amended and reviewed as they have been audited.

Basia of preparation

The financial statements have been prepared on an occurupts basis and not based on historic costs morified by the revolution of enlacted non-current essets. Enancial assets and financial lipbiblies for which the fair value basis of accounting has been applied.

The Shancial slatements are presented in Australian Oplians and all the values are rounded to the nearest dozar.

Critical accounting estimates and judgements

The properation of energies statements in conformity with Australian Accounting Standards requires the use of certain critical eccounting estimates. It also requires management to exprose its judgment in the process of applying the company's eccounting policies.

The Directors and Management evaluate estimates and publicanters incorporated into the financial statements based on historic knowledge and best available current information. Estimates assume a reasonable expectation of luture events and are based on current trends and economic data, obtained both externally and within the company.

Accounting policies

(a) Going concern

Notwithstanding liter deficiency in not assets for the accounting puriod, the Antonial statements have been prepared on the basis that the entity is a going concern. The University of Sydney holds funds in favour of the Company of \$3,044m at market value as at 31 December 2012 made up of \$2,48m capital sum (at market value); covered by She Dand Post executed on 18 February 2039 and \$564,036 as working equity.

These funds lotating 33 044m are available to the Company on request, subject to a Rusiness Plan approved by the University.

The Directors have size received a guarantee of Enancial support from the parent entity, whereby The University of Sydney agrees for the period up to 30 April 2014 to meet any kstutilies incurred by the Company in accordance with an annual budget approved by the CFO and not to exceed the funds held by the University reformed to in the Dood Poli.

(b) Income tex

The Warran Conire for Achemical Engineering Limited is a wholly award Adamilian subsidiary of The Maworsky of Sydney registered as a net-for profit scientific linet tution and is therefore income tax exempt under the recome Yex Act 1997.

(c) Cesh and cesh equivalents

The Company uses the bank account of The University of Sydney to receive income and disburse expenses. The Company recognises a receivable in respect of amounts held by the University on beinalf of the Company and a payable in respect of unbounds owed to the University by the Company.

(d) Revenue recognition

Granis are recognised as revenue when expenditure is incurred in refation to the projects to which the funds were given. Any excess of fund income over the expenditure incurred is recognised as unearised revenue until such time as expenditure is incurred.

Revenue from rendering a service is recognised upon detivery of the service to the customers.

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

Summary of significant accounting policies (continued)

(a) Goods and Services Tex (GST)

Revenues, expension and assets are recognised net of the amount of GS1, except where the amount of GST incurred is not recoverable from the Avstralian Taxation Office. In these circumstances the GST is recognised as part of the recyclickion of the paster or as part of an item of expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The rel amount of GST receivables from, or payables in the taxation authority is included with other receivables or payables in the statements of financial position.

(f) Trade and other psychiae

Trade and other payables, including accruate not yet bried, represent liabilities for goods and services pravided to the Company prior to the and of the reporting period. These amounts are unsecured and are usually solved within 30 days of recognition.

(g) Frade and other receivables

Trada and other receivables are recognized at the amounts of the reconvable and are due for settlement in no more than 30 days. The toRectability of recolvables is assessed at year and and sputific provision is made for any devoted accounts.

(b) Employee ontitiemente

The total liability in respect of empkyyon unbillements has been brought to account in accordance with AASB 119. Liabilities for annual trave are morghised and measured based on employee leave orbitisments as at the reporting cate and calculated intipay rates impedied to be paid and payable. The provision for annual teave is recognised as a current liability.

Employed chillioments of staff seconded from Ten University of Sydney are included in the Company's eccounts eacopt for long service leave which is carried in the books of The University of Sydney. However, regular on costs are charged to the Company for long service leave curing the course of secondment.

(I) Comparative figures

Where required by Accounting Stendards, comparative figures have been adjusted to conform with the changes in presentation for the current financial period.

(i) New eccounting standards and interpretations

At the reporting date, a number of new accounting standards and interpretations have been issued but are not you operative, and have not been early adopted by the Company.

The Company has elected well to early adopt any of these standards and interpretations as they are edger not returned or they have no impact on its Snancial report for 2012. Similarly, application from 2013 k, not expected to impact the Snancial results for enrousi reporting periods beginning on or after 1 January.

2 Revenue from continuing operations

	2012 5	2011 \$
Sponsorelikps and grants	192,645	560,677
Fee6, seminars and conferences	14,611	39,452
Memberships and subscriptions.	108,945	112,000
Salos office	-	118
Control utions"	1.058.501	
Totel revolue from continuing operations	1,363,080	703,245

* Thran merups comprise donations, aportsonships and prizes received on behalf of the company's activities by the University.

3 Cash and cash equivalents

Cosh and crish equivalents

4 Reconcillation of operating results for the year to cach flows from operating activities

Operating result for the year	643,832	88,404
Provision for impaired receivables	(7.700)	7,700
(Increase)/decrease in trade and other receive3/les	(1,080,872)	(381,437)
(noreuse/(decrease) in Irade and other payables	(163.938)	(451,155)
Not cash initiow/(outflow) fram operating activities	(668,670)	(756,488)

5 Trade and other receivables

Trade receivables Provision for doubtful debts	1,547,548	\$6,909 (7,700)
Nol Irade recolvables	1,\$47,\$48	79,209
Intercompany receivables – The University of Sydney* Accure vico⇔teriments: receivable GST paid	253 2,847	640,728 359,613 <u>12,761</u>
Total Ireda and other receivebles	1.550.608	. 9.102,510

*The University has applied porting off of the intercompany psychlos and receivables for the first line in 2012.

Impaired trade receivables

As s131 December 2012 current receivables with a nominal value of \$N4 (2011: \$7,700) were impaired.

The egaing of these receivebles is as follows.

3 to 0 months		7,700
Over 6 months	-	

As al 31 December 2017, bade receivables of \$1,547,548 (2011, \$18,635) were past due but not impaired. This is mainly related to an involve issued for the Trust monitos from The University of Swiney.

2012

2012

5 Trade and other receivables (continued)

The speing analysis of those receivables is as follows:

	2012	2011
	\$	\$
Under 3 months	1,547,546	1,650
3 to 6 months	<u> </u>	16,955
	1.547.548	16.605

Movements in the provision for impairment of receivables are as follows:

A: 1 January	7,700	6,600
Provision for impairment recognized during the year		7,700
Unused amount reversed	(7,700)	(5,500)
	•	7,700

Aviousta charged to the provision account are generally written of when there is no expectation of recovering additional crists. The other emotions within receivables do not contain impaired events and are not past due. Beside on cardit history, dia expected that these amounts will be received when due.

6 Trade and other payables

Prepara income Accrued expenses	150,989 19,384	285,058 74,083
Intercompany payables – The University of Sydney Total trade and other payables	<u> </u>	1,53 <u>9,380</u> 1,879,121

7 Financial risk management

The Company's poincipal financial insidements comprise wade and other receivables and trade and other payables

The Company's activities expose it to relatively few Friancial risks. The Company's overall risk management program focuses on the identification and analysis of the risks faced by the company to monitor risks and sol controls to minimise polonial adverse effects on the Friancial performance of the company.

The Company is exposed to some interest rat, in respect of its negative retained earnings.

(a) Credit risk

The Credit risk is the fisk of financial loss to the Company it is classened or counterparty to a financial instrument faits to Most residentiated obligations and arises only from the Company's trade receivables.

The Company has recorded from The University of Sydney which is considered a credit worthy counterparty. Other there that, the Company does not have any significant est exposure to any single counterparty.

The carrying amount of Financial assets recorded in the batance since) represents the Company's maximum risk exposure to credit risk

The Company drive not hold any securitors or guarantees

(b) Uguidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fail due.

The Company has a fielder of comfort' from The University of Sydney gustanteeing the payment of its budgeted liabilities. Accordingly, there is printmal liquidity risk.

The Warran Centre for Advanced Engineering Limited Notes to the Financial Statemente For the year unded 31 December 2012 (continued)

7 Financial risk management (continued)

(c) Fair Value

Cash and cash equivalents, trade and other moderables and trade and other payables are short term instruments in nature whose carrying amount is equivalent to fair value. The Company has no other firsholal instruments measured at latin value.

The following lables summarise the maturity profile of the Company's Englished essets and Englished,

Al 31 December 2012	Avorago Viriable Lyss than Between Over 8 Totel Interest Interest: 2 year 1 and 5 years
	「「「「「「「」」」「「「」」」「「「」」「「「」」」「「」」「「」」「「」
Financial Assets	
ReceiveLives Total Assancial assets	
Financial Listillise	i . i
Payablas Total (Insectio) Rabiblios	1,485,278 1,465,278 1,465,276
At 31 December 2011	Average (Variable, Loss than 1 Bothpen Over 5 Total Interest Interest Veet 1 Interest Veets
Financial Assets	, i i
Roceivables Totel financial datasta	<u> </u>
Financial Liabilities	· · · · · · · · · · · · · · · · · · ·
Payatéos Yotal financial liabilities	1.614.064 <u>1.614.064</u>

8 Economic dependency

The Company is aconomically dependent on The University of Sydney.

9 Key management personnel disclosures

Professor Michael Durase, Director, was contracted through SanSolutions to provide his services as Executive Director of The Warren Centre for Acvanced Engineering Limited until his resignation on 15 February 2012.

The Executive Director per tion was filled by Dr Nichelas Comeas on 5 February 2012. Dr Comeas was employed under u standard employment agreement with The Warren Contro for Advanced Engineering Limited.

Aggregate encode of the above transactions with key management personnel of The Warren Centre for Advanced Engineering United are:

	2012	2011 \$
Amounts recognised as expense Aggregets remuneration of directors	104.378	117,500

10 Auditor's remuneration

During the year the following feasiwing paid or payable for sorvices provided by the wellions of the Company.

Audulisandees	2012	2011 \$
The Audit Office of New South Wates Audit services by private sector contractors Total remuneration for taxation services	5,200 5,200	4,100 <u>1,000</u> <u>5,100</u>

11 Related party transactions

Parent entity

The ufinities Australian parent entity is The University of Sydney which at 31 December 2012 is the sole member Transactions between related parties are on normal commercial terms and considers no mem favourable than those available to other parties unless otherwase started.

Parent o	ini Yy:
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Interest record	43,204	43,204	
Ship of goods and services - contributions from the University	1,078,881	4,523	
Purchase of goods and services - salaries for non-regular employees	34,183	-	
Transactions with other related parties			
Sydnoy Tpient Pty Limited			

The University size provides a number of services at no cost to the Company under an Agreement for Services. These services include accommodation and professional support from the Professional Support Units.

The following balances are outstanding at the reperting date in relation to transactions with related parties.

The Warren Centre for Advanced Engineering Limited Notes to the Finencial Statements For the year ended 31 Occamber 2012 (continued)

11 Related party transactions (continued)

Intercompany receivables - The University of Sydney	253	640,728
Intercompany payables The University of Sydney	1.467.593	698,652

Member's Guerantee

The Company is a public company limited by guarantee. If the Company is wound up, the Company's constitution states that each member is required to contribute a maximum of \$2 towards meeting any outstanding obligations of the Company As 31 December 2012, the number of members was 1 (2011, 1).

12 Contingent lisbilities

The Contparty has no known comingent labilities at 31 December 2012 and up to the date of this report.

13 Commitments

Commitments for minimum lease payments in relation to non-cancellable operating	2012	2011
leases are payable as follows:	\$	\$
Within one year Later than one year but not taler than (we years	2,483 <u>1,993</u> 4,458	1,971 2,356 3,927

14 Company details

The Warron Centre for Advanced Engineering Limited is Incorporated in Australia.

Two principal place of business as J13 Engineering Link Building, University of Systemy NSW 2006.

The oddress of the registered office is L3, Margaret Taller Building, 71-79 Arundal Speet, Glebe NSW 2037.

(End of Audited Financial Statements)

Wayahead Pty Limited

ACN 128 047 352

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

Wayahead Pty Limited ACN 128 047 352

Financial Statements for the year ended 34 December 2012

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Wayahead Pty Limited

ACN 128 047 352

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Resolution Of Directors

The directors of the company hereby RESOLVE that:

1. The figsholal statements and notes set out on the attached pages:

- (a) comply with Australian Accounting Standards (indicting the Australian Accounting Interpretations), Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2010; and
- (b) give a true and tair view of the company's financial position as at 31 December 2012 and of the performance for the year ended on that date.

At the date of signing this declaration, we are not aware of any directionstances which would render any particulars included in the mandal statements to be misleading or inaccurate.

2 In the cirector's opinion, there are reasonable grounds to believe that the Company with be able to pay its debts as and when they become due and payable.

Bre

Ann Brower Director

Dato: 4 14113

Date: I I

Deanna Hoermann Director

Wayahoad Pty Limited

ACN 128 047 362

Resolution Of Directors

The directors of the company hereby RESOLVE that:

1. The financial statements and notes set out on the attached pages:

- comply with Australian Accounting Standards (including the Australian Accounting Interpretations), Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2010; and
- (b) give a true and fair view of the company's financial position as at 31 December 2012 and of the performance for the year ended on that date.

At the data of signing this declaration, we are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

In the director's opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Ann Brewer Director

ann

1

1

Dete:

Date: 43 (04 (20/3

Deanna Hoermann Director



INDEPENDENT AUDITOR'S REPORT

Wayahead Pty Limited

To Members of the New South Wales Parliament

I have audited the accompanying financial statements Wayahead Pty Limited (the Company), which comprise the statement of financial position as at 31 December 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended, notes comprising a summery of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements

- give a true and fair view of the financial position of the Company as at 31 December 2012, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 418 of the Public Finance and Audit Act 1983 (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of the financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud of error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or orior. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the ovorall presentation of the financial statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion

Lovel 15, 1 Marganet Sinool, Spainay NSW 2000 , C/O Dux 17 Subject N2W 2021 ; 112/9275 2101 - 102/9215 7175 ; Million@actority.gov.br (audit natiogeneous

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My opinion does not provide assurance.

- about the future visibility of the Company.
- that it has carried out its activities effectively, efficiently and economically.
- about the effectiveness of its internal control.
- about the security and controls over the electronic publication of the audited financial statements on any wobsits where they may be presented.
- sbout other information which may have been hyperlinked to/from the financial statements

Independence.

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further cremotes independence by.

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandaling the Auditor-General as auditor of public sector agencies, but precluding the provision
 of non-audit services, thus crisuring the Auditor-General and the Audit Office of New South
 Wales are not compromised in their roles by the possibility of losing clients or income.

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C J Giumelli Director, Financial Audr. Services

15 April 2013 SYONEY

Wayahead Pty Limited ACN 128 047 352 Statement of Comprehensive Income For the year ended 31 December 2012

	Note	2012 S	2011 S
Revenue from continuing operations			
Expenses from continuing operations			-
Operating result before income tax			
Income tax expense		-	-
Operating result after mecome tax for the year			
Operating result attributable to recenters of the parent entity		-	
Other comprehensive income			-
Fotal comprehensive income for the year	-	 -	-
Total comprehensive income attributable to members of t parent entity	he -		

The accompanying notes form part of these finencial statements

Wayahead Pty Limited ACN 128 047 352 Statement of Financial Position As at 31 December 2012

	Note	2012	2011
		5	5
CURRENT ASSETS			
Cash and cash equivalents	2	1	1
Caesa and Casar Equavidents	4	1	'
TOTAL CURRENT ASSETS		· · ·	·· ·· —
TOTAL CORRECT ASSETS		·····	·
TOTAL ASSETS			<u>ا</u>
CURRENT LIABILITIES			
			. .
TOTAL CURRENT LIABILITIES			
			· .
TOTAL UARILITIES			
NET ASSETS			1
ALL MALLA		-	1
EQUITY			
Contributed equity	3	1	1
Retained carrings	-1		-
TOTAL EQUITY			<u> </u>
TOTAL EQUILI			,

The accompanying notes form part of these financial statements.

Wayahcad Pty Limited ACN 128 047 352 Statement of Changes in Equity For the year ended 31 December 2012

	2012	2011
	S	\$
Total Louity at the beginning of the year	i	;
Operation result for the year	-	
Other comprehensive income for the year		
Fotal Equity at the end of the year	(

the accompanying notes form part of these financial statements.

Wayahead Pty Limited ACN 128 047 352 Statement of Cash Flows For the year ended 31 December 2012

	Note	2012 S	2011 - 5
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by/(used in) operating activities	4		<u>·</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash provided by/(used in) investing activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash provided by/(used in) financing activities			
Net increase in each and each equivalents			
Casis and casis equivalents at the beginning of the year		1	1
Cash and cash equivalents at the end of the year	2	1	 <u> </u>

The accompanying notes form part of these financial statements

7

Wayabcad Pty Limited ACN 128 047 352 Notes to the Financial Statements For the year ended 31 December 2012

Note 1: Summary of Significant Accounting Policies

The financial statements are general purpose financial statements that have been prevared in accordance with the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010 and Australian Accounting Statisfieds (including Australian Accounting Interpretations)

The financial statements were authorised for issue by the Board on the date on which the accompanying. Director's Declaration was signed. The statements will not be amended and reissned as they have been authority

Basis of Preparation

The financial statements have been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets and financial liabilities for which the fair value basis of accounting has been applied.

The financial statements are presented in Australian Dollars and all values are rounded to the nearest dollar,

Critical Accounting estimates and judgments

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to excreise its judgment in the process of applying the company's accounting policies.

The directors and management evaluate estimates and judgments inconsorated into the foracial statements based on historical knowledge and best available correct information. Estimates assume a reasonable expectation of future events and are based on correct trends and economic data, obtained intervally and externally.

Accounting Policies

(a) Going Concern

Lite financial statements have been prepared on the basis that the etaity is a going concern-

(b) Cash and Cash Equivalents

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

(c) Comparative Figures

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

(d) Income Tax

During the year, the company did not trade. Consequently, no income tay was payable or sefundable.

(c) Goods and Services Tax (GST)

The Company is a non-trading company and is not registered for ABN or for tax preposes,

Wayahead Pty Limited ACN 128 047 352 Notes to the Financial Statements For the year ended 31 December 2012

(f) New Accounting Standards and Interpretation

At the reporting date, a manher of new accounting standards and interpretations have been issued hat are not yet operative and have not been early adopted by the company. The company has elected out to early adopt any of these standards and interpretations as they are either not relevant or they have no impact on its fit macial statements for 2012. Similarly application from 2013 is not expected to impact the financial results for nangafi reporting periods beginning on or after 1 January.

	2012	2011
Note 2: Cash and cash optivalents	3	5
Cash at bank		
Cash on hand	·	<u> </u>
Note & Contributed Equity		
I fully paid ordinary share	i	<u>}</u>
Note 4: Cash flow information		
(a)Reconcidation of each and each equivalents		
Case and each equivalents at the end of the year as shown in the statement of each flows is record; ed to the related items in the statement of linancial position as follows:		
Cash on hand and at bank	<u> </u>	!
(b) Reconviliation of operating result for the year with net each flows from operating activities		
Operating result for the year		-
Plus/(minus) non-cash items in operating result for the year		-
Changes in assers and liabilities	-	
Net each flow's from operating activities		

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Wayahead Pty Limited ACN 128 047 352 Notes to the Financial Statements For the year ended 31 December 2012

Note 5: Remuneration of auditors	2012	2011
Audit services	3	.>
The Audit Office of New South Wales	 	

The audit fee for the year ended 34 December 2012 has been set at \$2,000 GS1 exclusive (2011; \$1,960). The University of Sydney will meet the cost of the audit for the year ended 34 December 2012.

Note 6: Related Party Transactions

The company is a controlled entity of The University of Sydney. 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 transactions with related parties.

Note 7: Administrative Expenses

Administrative expenses are currently absorbed by The University of Sydney,

Note 8: Commitments

As at 31 December 2012, the Company has no known commissionly,

Note 9: Contingent Liabilities

As at 33 December 2012, the Company has no know a contingent liabilities.

Note 10: Economic Dependency

The Company is economically dependent on The University of Sydrey,

Note 11: Company Details

Wayahead Pty Limited Room I 4.47. The Quadrangle A I4 The University of Sydney NSW 2006

(End of Audited Financial Statements)

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Sport Knowledge Australia Pty Ltd

Financial Statements

For the year ended 31 December 2012

Sport Knowledge Australia Pty Ltd ACAL 100 491 278 Financial Statements

For the year orded 31 December 2012

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SPORT KNOWLEDGE AUSTRALIA PTY LTD Director's Declaration For the year ended 31 December 2012

The Director of the Company hereby declares that:

The financial statements and notes set out on the attached pages:

- (i) Present as far as can be established a true and fair view of the financial position of the company as 31 December 2012 and transactions for the year then ended.
- (ii) The company entered into liquidation on 27 October 2012 and is now subject to control by the liquidator, HLH Mann Judd.
- (iii) The director of the company cannot complete the Director's Declaration for the year ended December 31, 2012.

Independent Auditor's Report

SPORT KNOWLEDGE AUSTRALIA PTY LTD Statement of Financial Position As at ended 31 December 2012

	Note	2012 S	2011 S
Revenue	2	S 0	12.500
Administrative expenses		1262	998
Advertising and pronotion expenses		D	0
Contractors and consulting expenses		U	0
Employee expenses	3	D	(147)
IT and software expenses		0	0
Legal expenses		Û	ß
Rental expenses		0	0
Travel expenses		Ð	0
Interest expense		191	212
Bad debt expense		12,715	21,302
Other expenses		0	449
Operating result before financing income	_	(14,168)	(10.314)
Financing income	s		87
Operating result before income tax		(14,158)	(10,227)
Income tax income/(expense)	6	0	υ
Operating result after income tax and impairment attributable to the members of Sport Knowledge Australia Pty Ltd		(14,158)	(10,227)
Other congrebensive income		0	0
Other comprehensive income for the period net of (a)		0	
Total comprehensive income attributable to members of Sport Knowledge Australia Pty Ltd	_	(14,158)	(10.227)

The above statement of comprehensive ancome should be read in conjunction with the accompanying notes

SPORT KNOWLEDGE AUSTRALIA PTY LTD Statement of Financial Position As at ended 31 December 2012

	Note	2012 S	2011 S
Assets			
Correct assets			
Cash and cash equivalents	?(a)	(68)	979
Total current assets		(68)	979
Total assets	-	(68)	979
Liabilities			
Current fiabilities			
Trade and other payables	8	36,390	23,279
Total Current Liabilities		36,390	23,279
Total Lighilities	-	(36,490)	23,279
Net assets	-	(36,458)	(22,300)
Equity Share capital Retained earnings	10	6 (36,464)	6 (22,305)
Total Equity	_	(36,458)	(22, 300)

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

SPORT KNOWLEDGE AUSTRALIA PTY LTD Statement of Changes in Equily For the year ended 34 December 2012

	Share Capital	Retained Earnings	Total Equity
	5	5	\$
Balance I January 2011	6	(12,079)	(12,073)
Operating result for the 12 months to 31 December 2011	0	(10,227)	(10,227)
Other comprehensive income	0	0	0
Balance at 31 December 2011	6	(22,306)	(22,300)
Balance 1 January 2012	6	(22,306)	(22,300)
Operating result for the year eaded 31 December 2012	0	(14,158)	(14,158)
Other comprehensive income	0	0	0
Balance at 31 December 2012	6	(36,464)	(36,458)

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

SPORT KNOWLEDGE AUSTRALIA PTY UUD Statement of Cash Flows For the year ended 31 December 2012

	Note	2012	2011
		S	\$
Cash flows from operating activities			
Receipts from customers		13,111	26,317
Payments to suppliers and employees		(14,168)	(44.229)
Cash generated from operatrons		(1,057)	(17.912)
Interest received		10	87
Net cash provided by/(used in) operating activities	7h _	(1,047)	(17.825)
Cash flows from financing activities			
Loans from parent company		0	16,000
Repayment of loan to parent		0	(3,500)
Net cash from financing activities		0	12,500
Net increase/(decrease) in each and each equivalents		(1,047)	(5,325)
Cash and each equivalents at the beginning of the year		979	6,304
Cash and cash equivalents at the end of the year	7.0	(68)	479

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

1. Summary of significant accounting policies

These financial statements are general purpose financial statements that have been prepared in accordance with the *Public Finance and Andit Act 1983*, the Public Finance and Audit Regulation 2010. Australian Accounting Standards (including Australian Accounting Interpretations).

The financial statements were authorised for issue by the Board on the date on which the accompanying Director's Declaration was signed. The statements will not be amended and reissued as they have been audited.

(a) Basis of preparation

The financial statements have been prepared on a liquidation basis. Assets and financial liabilities are measured at recoverable amount. Refer Note 1(b).

(b) Non-going concern basis

The Sole Director resolved that the company be wound up. A liquidator has been appointed to the company, and it is expected that it will be wound up by the end of 2013. As a result, the financial statements have been prepared on a non-going concern (liquidation) hasis. Under this basis of accounting, assets are valued at their anticipated net recoverable amounts and liabilities at their estimated softlement amounts. Comparative balances continue to apply the going concern basis of accounting.

(c) Income tax

Income tax on the profit and loss for the year comprises carrent and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between carrying amounts of the assets and liabilities for financial reporting perposes and the amounts used for taxation purposes. Temporary differences are not provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future tax profits will be available against which the asset can be utilised. Deforred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(d) Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated (See accounting policy f(i)).

An impairment loss is recognized whenever the carrying amount of an asset or its each generating unit exceeds its recoverable amount. Impairment issues are recognised in the statement of comprehensive income, onless an asset has previously been revalued, in which case the impairment loss is recognized as a reversal to the extent that previous revaluation with any excess recognized through profit or loss.

Impairment losses recognised in respect of eash-generating units are allocated first to reduce the currying amount of any goodwill allocated to eash-generating units (group of units) and then, to reduce the carrying amount of other assets in the unit (group of units) on a pro-rata basis.

i. Calculation of recoverable amount

The recoverable amount of the Company's investments in receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at isitial recognition of this financial asset). Receivables with a shart duration are not discounted.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated litture cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of anomy and the risks specific to the asset. For an asset that does not generate largely independent eash flows, the recoverable amount is determined for the eash-generating unit to which the asset belongs.

ii. Reversals of impairment

Impairment losses, other than in respect of goodwill, are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized.

An impairment loss in respect of other assets is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or unortisation, if no impairment had been recognised.

(e) Employee benefits

(i) Defined contribution plaus

Obligations for contributions to the defined contribution pension plans are recognized as an expense in profit or loss when they are due.

(ii) Long-term service benefits

The Company's net obligation in respect to long-term employee benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs, that benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

(iii) Short-term henefits

Liabilities for employee benefits for wages, salaries, annual leave and sick leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax. Non-accumulating non-monetary benefits, such as free or subsidised goods and services, are expensed based on the net marginal cost to the Company as the benefits are taken by the employees

(f) Revenue

Services rendered

Revenue from services readered comprises fee income camed from the delivery of various Sports. Science and Management courses and is recognized in the statement of comprehensive income when the delivery of the relevant course commences. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incoursed cannot be measured reliably or the relevant courses on offer have yet to commence delivery.

DEST funding revenue

The Company was a recipient of funding from the Department of Education. Science and Technology ("DEST"). The funding is for a total of \$8,602,000, and was received as follows:

Year ended	Funding
30-Jun-04	\$1,672,000
30-Jun-95	\$3,300,000
30-Jun-96	\$2,530,000
30-Jun-07	<u>S1,100,0н0</u>
	28,602,000

The DEST funding revenue is deferred and recognised over the period in which the expenses for which the funding has been provided are incorred.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand and in the bank and short term deposits with a maturaty of three months or less that are readily convertible to cash and which are subject to insignificant risk of change in value. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(h) Trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses (See accounting policy e).

(i) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of eash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(j) Trade and other payables

Trade and other payables are stated at their amortised cost. Trade payables are non-interestbearing and are normally settled on 30-day terms.

(k) New Accounting standards and AASB interpretations

The company has assessed the new Australian Accounting Standards that have recently been issued or amended but are not yet operative or applied. It has been determined that these new accounting standards will have no material impact on the Company's financial statements in the period of initial application.

At the reporting date, a number of new accounting standards and interpretations have been issued but are not yet operative and have not been early adopted by the company.

(I) Comparative figures

Where required by Accounting Standards and business requirements, comparative figures have been adjusted or reclassified to conform with changes in presentation for the current financial year.

		2012	2011
2.	Revenue	-	
	Loan forgiveness	0	12,500
		0	12,500
,	Parala a seconda de la constante de		
э.	Employee expenses	Ð	(147)
	Other associated employee expenses		(147)
		••••••	(147)
4,	Auditor's remuneration Current audit is the audit office of NSW and the audit fee of \$5,000 ex-GST for 2012 (2011: \$5,000) will be home by the University of Sydney		
5.	Net financing income		
	Interest income	. 10	87
		10	87
6.	Income (4x expense/(income)		
	Income tax expenses(income) in relation	0	0
	to correct period fax losses	-	0
	Adjustment relating to prior period	0	<u> </u>
	Total income tax expense/(income)	0	0
	Numerical reconcilization of income tax expense to prima facie tax payable		
	Operating profit/(loss) before meome tax expense	(14.158)	(10,227)
	become tax using the tax rate of 30% (2011: 30%)	(4,247)	(3,968)
	Less: Tax effect of capital profit on loan forgiveness	0	(3,750)
	Current period losses for which deferred tax assets are not recognised	4,247	6,818
	Income tax expense/(income)		0

7.	(2)	¢	us.	e and	сизЪ	equivalents

Bank balances	(68)	979	
	(68)	979	
(a) Reconciliation of operating result after income tax for the period to activities.	cash flows from up	erating	
Cash flows from operating activities			
Operating profit/(foss) for the period	(14,158)	(10,227)	
Adjustments for:			
Interest received	(10)	(87)	
Loan forgiveness	0-	(12,509)	
hicome tax expense	0	0	
Operating result before changes in working capital and provisions	(14,168)	(22,814)	
(Increase)/decrease in trade and other receivables	0	3,595	
(Decrease)/increase in trade and other payables	13,111	1,307	
increase/(decrease) in provisions for employee benefits		e	
Cash generated from/(used in) operating activities	(1,057)	(17,912)	
laterest received	10	87	
Net each from/(used in) operating activities	(1,047)	(17,825)	
Financing facilities and balances as at 31 December 2012			

There is a Master Card facility of \$100,000 (2011 : \$100,000)

4

8. Trade and other payables

University of Sydney	15,892	11,835
Other payables	20,498	11,444
	36,390	23.279

9. Tax assets and fiabilities

At balance date, the company has taxable tomporary differences and tax losses that have not been recognised as deferred tax liabilities or assets

The company is in the process of being wound up and the company will not earn sufficient taxable profits to utilise the tax losses and deferred tax liability.

10. Share capital

Ordinary shares Issued and fully paid

- 6

- 6

There has been no movement in issued capital in the periods covered by this report. The fully paid ordinary shares carry one vote and carry the right to dividends.

In the event of winding up of the Company, the ordinary shareholder ranks after creditors and are fully entitled to any proceeds of liquidation.

Dividends

There were no dividends paid or declared by the Company to the member since the end of the previous financial period.

11. Commitments

Here were no amounts committed by the Company.

12. Economic dependency

The Company is economically dependent on The University of Sydney for funding.

13. Subsequent Events

The company is in the process of being wound op & it is anticipated the company will be wound up by December 2013.

14. Related Party Transactions

The company is a Controlled Entity of The University of Sydney Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

15. Financial risk management

The company's principal financial instruments comprise cash at bank, receivables and trade and other payables.

Risk exposures and responses

The company's activities expose it to a variety of financial risks: credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

The company is not exposed to interest risk

(a) Credit risk

The company does not have any significant risk exposure to any single counterparty. The credit risk on short term deposits is limited because counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the balance sheet represents the company's maximum risk exposure to credit risk.

The company does not hold any securities or guarantees.

(b) Liquidity risk

The following tables summarise the maturity of the company's financial assets and financial Fahilities.

2012	Average Variable interest interest rate rate % S		Between 1 and 5 years 3	Non- Interest S	Total S
binancial assets					
Cash and eash equivalents			<u>-</u> .	(68)	(68)
Total financial assets				(68)	(68)
Financial Habilities					
Payables	·		•	35,837	35,832
Fotal fotangizi tustofiteos 	<u> </u>	-		35.832	35,832

	2011	Average interest rate	Variable interest rate	f æss than 1 year	Between 1 and 5 years	Non- interest	Total
		2	5	s	Ł	\$	\$
ŀ	Financial assets		·:				
I	Cash and cash equivalents Total financial assets	- 			·		979 979
	Financial Indilities						
!	frade and Other Payables Total financial habitutes	 '- '			<u> </u>		<u>22.721</u> 22.721

Liquidity is managed by ensuring sufficient cash and cash equivalents are available to meet obligations as and when they fall due.

16. Company details

Sport Knowledge Australia Pty 14d is incorporated in Australia. The address of the registered office is Old Teachers College, University of Sydney, Manning Street, Camperdown NSW 2006,

(End of Audited Financial Statements)

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Sport Knowledge Australia Pty Ltd

Financial Statements

for the year ended 31 December 2011

Sport Knowledge Australia Pty Ltd AGN 100 401 275 Financial Statements

For the year ended 31 December 2011

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SPORT KNOWLEDGE AUSTRALIA PTY LTD Director's Declaration For the year ended 31 December 2011

The Director of the Company hereby declares that:

The financial statements and potes set out on the attached pages :

- (i) Present as for ns can be established a true and fair view of the financial position of the company as 31 December 3011 and transactions for the year them ended.
- (ii) Because the company ceased normal operations in 2010 there have been limitations on the evidence and explanations available to the director and auditors due to the efflox ion of time and departure of all management and staff of the company
- (nii) At the date of signing this statement, the director cannot offer assurance as to the accuracy or completeness of the 2011 financial statements.

This decloration is enade in accordance with a resolution of the Solo Director of the Beard

iohn Hearb Director Sydney, New South Wales

Date this

day of April 2013 415



INDEPENDENT AUDITOR'S REPORT

Sport Knowledge Australia Pty Limited

To Members of the New South Wales Parliament.

I have addited the accompanying financial statements of Sport Knowledge Australia Pty Limited (the Company), which comprise the statement of financial position as at 31 December 2011. The statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Basis for Disclaimer of Opinion

I am unable to obtain sufficient anti/or appropriate evidence to support material transactions related to all areas of the Company's operations. There are significant fundations to the evidence and explanations available to me because management stat!, and the exectors being no tonger employed or available within the Company. Atternative records that exist are not adequate for the purpose of applying necessory audit procedures.

As a result, I am unable to determine whether any argustments may be necessary to the statement of financial position at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended and other explanatory information.

I issued a disclaimer of opinion on the Company's 2010 financial statements as the significant fimitation in scope out ined above also applied to those financial statements.

Disclaimer of Opinion

Because of the significant limitation on the scope of my work described in the Basis for Disclaimer of Opinion paragraphs. I am not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

My disclaimed comon should be read in conjunction with the rest of this report.

Emphasis of matter paragraph

Without qualification to the disclaimed opinion expressed above.

I draw attention to Note 1 (b) of the financial statements which states the financial statements are prepared on a non-going concert (liquidation) basis. Under this basis of accounting, assots are valued at their anticipated net realisable amounts and liabilities at their estimated settlement amounts. As explained in Note 1 (b) the company is in Equidation and withe process of being would up

The Director's Responsibility for the Financial Statements

The Director is responsible for the proparation of the financial slatements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act for such internal control as the Director determines is necessary to enable the preparation of financial statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on conducting my audit in accordance with Australian Auditing Standards. However, because of the motions described in the Basis for Disclaimen of Opinion paragraph. I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision
 of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South
 Wales are not compromised in their roles by the possibility of losing clients or income

Vet_ ANTRA

Peter Achterstrast. Aud tor-General

16 April 2013 SYDNEY

SPORT KNOWLEDGE AUSTRALIA PTY LTD Statement of Comprehensive become For the year ended 31 December 2011

	Note	2011 5	2010
Revenac	2	12,509	254,837
Administrative exposes		949X	\$,208
Advertising and promotion expenses		9	720
Centractors and consulting expenses		0	24,650
himployee expenses	3	(147)	166,382
IT and software expenses		0	242
l egal expenses		D	772
Rental expenses		U	1,970
Liavel expenses		D	1,619
hterest expense		212	1,361
Bad debt expense		21,302	13,969
Other expenses		449	1,936
Operating result before financing income		(30,314)	33,003
Financing income	5		349
Operating result before income fax		(10,227)	33,352
]sconte fax incaste/(expense)	6	0	0
Operating result after (ocome tax and impairment attributu) members of Sport Knowledge Australia Pty Ltd	de to the	(10,227)	33,352
Other comprehensive income		Ð	0
Other comprehensive income for the period net of tax		 ປ	0
Total comprehensive income attributable to members of Sport Knowledge Australia Pty Ltd		(10,227)	(23,352)

The above statement of comprehensive income should be read in comparision with the accompanying nodes.

NPORT KNOWLEDGE AUSTRALIA PTY LTD Statement of Financial Position As at 31 December 2011

	Note	2011 2010 S S	
		., .,	
Assets			
Connect assets Contained tasks and inclusions	7(a)	079 6,304	1
Cash and cash equivalents Trade and other receivables	,	fi 3.995	i
Total content assets		979 9.899)
		· · · ·	-
Total assets		<u> </u>	,
Liabilities			
Correct liabilities	8	23,279 21,072	>
'I rade and other payables Total Current Liabilities	~	23,279 21,972	
Total Liabilities		23,279 21,973	ł .
Net assets		[22,300] [(17,273))
Equity		ú 6	
Some capital	10	(22,306) (12,079)	
Retajned carnings		$= \frac{(12,300)}{(22,300)} (12,973)$	
Total Equity			

The above statement of financial position should be read in commetion with the accomposying notes

SPORT KNOWLEDGE AUSTRALIA PTY LTD Statement of Changes in Equity For the year ended 31 December 2011

	Share Capital S	Retained Karnings S	Total Equity \$
Halance 1 January 2010	ń	(45,431)	(45,425)
Operating result for the \$2 months to 34 December 2010	IJ	33,252	33,352
Differ comprehensive meene	. <u></u>		<u></u>
Balance at 31 December 2010	0	(12,079)	(12,073)
Balance I January 2011	6	(12,079)	(12,073)
Operating result for the year ended 34 December	0	(10,227)	(10,227)
2011 Other comprehensive income	۵.	U	0
Balance at 34 December 2011	6	(22,306)	(22.300)

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

SPORT KNOWLEDGE AUSTRALIA PTY LTD Statement of Cash Flows For the year unded 31 December 2011

	Note	2011 S	2010 S
Cash flows from operating activities Receipts from customers Payments to suppliers and employees Cash generated from operations		26,317 (44.2 <u>29)</u> .(17.917)	49,823 (283,715) (242,892)
Interest received Net cash provided by/(used in) operating activities	7b	87 (17 <u>8</u> 25)	349 (242,543)
Cash flows from financing activities Leans from parent company Repayment of lean to parent Net cash from financing activities		16,000 (3.500) (2,590	200,000 0 2 20, 000
Net increase/(decrease) in cash and cosh equivalents		(5,325)	(22,543)
Cash and cash equivalents at the beginning of the year		6,304	28,847
Cash and cash equivalents at the end of the year	7ถ	979	6,304

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

1. Summary of significant accounting policies

These financial statements are general perpose financial statements that have been prepared on accordance with the Public Finance and Audit Act 1983, the Public Finance and Audit Regulation 2010, Australian Accounting Standards (including Australian Accounting Interpretations).

The financial statements were authorised for assue by the Board on the date on which the accompanying Director's Declaration was signed. The statements will not be amended and reassued as they have been audited.

(a) Basis of preparation

The financial statements have been prepared on a liquidation basis. Assets and financial liabilities are measured at recoverable amount. Refet Note 1(b).

(b) Non-going concern basis

The Sole Director resolved that the company be wound up. A liquidator has been appeinted to the company, and it is expected start it will be wound up by the end of 2013. As a result, the financial statements have been prepared on a non-going concern (liquidation) basis. Under this basis of accounting, assets are valued at tweir anticipated net recoverable amounts and liabilities at their estimated settlement amounts. Comparative balances continue to apply the going concern basis of accounting.

(c) Income tax

Income tax on the profit and loss for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to permise recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between conving annuals of the assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enected or substantially enacted at the balance sheet date.

A deterred tax asset is recognised only to the extent that it is probable that fature tax profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(d) Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated (See accounting policy (h)).

An impairment loss is recognized whenever the earlying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment (asses are recognized in the statement of comprehensive income, unless an asset has proviously been revalued, in which case the impairment loss is recognized as a reversal to the extent that provides revaluation with any excess recognized thentigh profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of other assets in the unit (group of units) on a pro-rate basis.

i. Calculation of recoverable amount

The recoverable amount of the Company's investments in receivables carried as amontised cost is calculated as the present value of estimated future cash Bows, discounted at the original effective interest rate (i.e., the effective interest rate computed of initial recognition of this financial asset). Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their fair value levs costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit lows which the asset belongs.

ii. Reversals of impairment

Impairment fosses, other than in respect of goodwill, are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was reengaised.

An impairment tass in respect of other assets is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's cattying amount does not exceed the carrying amount that would have been determined, not of deparetation or amortisation, if no impairment had been recognised.

(c) Emptoyee benefits

(i) Defined contribution plans

Qubigations for contributions to the deliated contribution pension plans are recognized as an expense in profit or togs when they are due.

(ii)Long-term service benefits

The Company's net chlopation on respect to long-term employee hencfus, other than pension plans, is the amount of lutere henefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related ossets is deducted.

(iii) Short-term beaufits

Liabilities for employce benefits for wages, salaries, annual leave and sick feave represent present obligations resulting from employces' services previded to reporting date and are calculated at undiscounted amounts based on remomeration wage and salary rates that the Company expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax. Nen-accomplating non-monetary benefits, such as free or subsidiated goods and services, are expensed based on the net marginal cost to the Company as the benefits are taken by the employees.

(f) Revenue

Services readered

Revenue from services rendered comprises for income estined from the delivery of various Sports. Science and Management courses and is recognized in the statement of comprehensive income when the delivery of the relevant course commences. No revenue is recognised if there are significant uncertainties segarding recovery of the consideration due, the costs incarred cannot be measured reliably or the relevant courses on other laws yet to commence delivery.

DEST funding revenue

The Company was a recipient of funding from the Department of Education, Science and Technology ("DEST"). The funding is for a total of \$8,602,000, and was received as follows.

Year ended	Funding
30-Jon-04	S1.672.090
30-Jun-05	\$3,300,000
30-Jan-06	\$2,530,000
30 Jan 07	\$1,100,000
	\$8,602,000

The DEST funding revenue is deforred and recognised over the period in which the expenses for object the funding has been provided are incorred.

(g) Cash and cash equivalents

Cash and eash equivalents includes eash on hand and in the back and short term deposits with a inductivy of three months or less that are readily convertible to rush and which are subject to insignificant risk of change in value. For the purpose of the cash flow statement, cash and cash equivalents as defined above, net of mustassding back overcreates.

(b) Trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses (See accounting policy e).

(i) Goods and services tax

Revenue, expenses and assets are recognised net of the annual of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST seconcerable from, or payable to, the texation authority is included as a current asset or liability in the statement of financial position.

Cash flows are included in the sustement of cash flows on a gross basis. The GST components of rash flows arising from investing and financing activities which are recoverable from, or payable to, the Lixation authority are classified as operating cash flows.

(j) Trade and other payables

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled on 30-day terms.

(k) New Accounting standards and AASB interpretations

The company has assessed the new Australian Accounting Standards that have recently been issued to amended but are not yet operative or applied. It has been determined that these new accounting standards will have no material impact on the Company's financial statements in the general of initial application.

At the reporting date, a number of new accounting standards and interpretations have been issued, but are not yet operative and have not been early adopted by the company

(f) Comparative figures

Where required by Accounting Standards and business requirements, comparative figures have been adjusted or reclassified to cooldrin with changes in presentation for the current financial year.

		2011 S	2040 S
4	Keyehue	.>	
é .	Loan forgiveness	(2,500	220,000
	Comprisings	9	34,8,57
	Country and State	12,500	254.837
x	r		
э.	Employee expenses Wages and salaries	9	163,385
	Uther associated personnel expenses	(147)	3,002
	Other associated personal ellexpenses	(147)	166,387
4.	Auditor's contineration		
	"Previous auda(KPMG) and review of prior Fenancial Statement"	0	5,250
		0	5,250
	Corrent and tor is the Audit Office of NSW and the audit fee of \$5,000 ex-0 will be home by the University of Sydney.	iST for 2013 (2010	(; \$4,710)
5.	Net financing income		
	Interest income	87	
		- ^x ?	
6,	income tax expense/(income)		
	Income tax expense/(income) in telation	0	0
	to carrent period tax losses		
	Adjustment relating to prior period		
	Total income tax expense/(income)		
	Numerical reconciliation of income tax expense to prima fastic tax payable		
	Operating profit/(loss) before income tax expense	(10.227)	3 <u>3,352</u>
	litenine tax using the tax rate of 30% (2010: 30%)	(3.068)	30,006
	Less: Tay effect of capital profit on loan forgiveness	(3,750)	(\$6,000)
	Carrent period insists for which deferred tax assets are not	6,818	\$5,994
	recognised	Ú	ú
	htteme tax experise/(income)	" -	

(a) Cash and each equivalents		
Hank balances	979	6,304
		ñ_304
(b) Reconciliation of operating result after income tax for the period to activities.	eash flows from o	perating
Cash flows from operating activities		
Operating profit/fioss) for the period	(10,227)	30,362
Adjustments for		
Interest received	(87)	(349)
Lean forgiveness	(12,500)	(220.000)
licome tax expense	9	•
Operating result before changes in working capital and provisions	(22,814)	(186,997)
(Increase)/decrease in tradu and other receivables	3,595	4,194
(Decrease)/increase in trade and utiler payables	1,307	(27.663)
herease/(decrease) in provisions for employee benefits	0	(32,346)
Cash generated from/(used in) operating activities	(17,912)	
Interest received	. 87	349
Net cash from/(used in) operating activities	(17,825)	
Financing Decilities and balances as at 31 December 2011 There is a Master Card facility of \$100,000 (2010 : \$100,000)		

8. Trade and other payables.

Trade psychies	0	21.528
University of Sydney	11,835	0
Other payables	11.444	744
- •	23,279	21,977

9. Tax assets and liabilities

At balance date, the company has taxable temporary differences and tax losses that have not been recognised as deferred tax itabilities or assets.

The company is in the process of being wound up and the company will not earn sofficient toxable profits to utilise the tax losses and deferred tax liability.

10. Share capital

Ordinary shares Issued and fully paid

t>

κ.

There has been no movement in issued capital in the periods covered by this report. The fulty paid ordinary shares carry one vote and carry the right to dividends.

In the event of winding up of the Company, the ordinary shareholder ranks after creditors and are fully entitled to any proceeds of liquidation.

Dividends

There were no dividends paid or declared by the Company to the member since the end of the previous financial period.

II. Commitments

There were no amounts committed by the Company-

12. Reasonate dependency

The Company is economically dependent on The University of Sydney for funding.

13. Subsequent Events

The company is in the process of being wound up & it is enticipated the company will be would up by December 2013.

14. Rolated Party Transactions

The company is a Controlled Entity of The University of Sydney. Transactions between related parties are on nermal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

13

15. Financial risk management

The company's principal financial instruments comprise cash at bank, receivables and trade and other payables

Risk exposures and responses

The company's activities expose it to a variety of linancial risky: credit risk and liquidity risk. The company's overall risk management program feetises on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the company.

The company is not exposed to interest risk.

(a) Credit risk

The company does not have any significant risk exposure to any single counterparty. The credit risk on short term deposits is limited because counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the balance sheet represents the company's maximum risk exposure to credit risk.

The company does not held any seconities or guarantees.

(b) Liquidity risk

The following tables summarise the marurity of the company's financial assets and financial liabilities.

2011	Average Variable , Less Between Non-1 interest interest than 1. Land 5, erost vate. (rate), year, hyears 5, 5, 5, 5, 5, 5, 5, 5, 5, 5, 5, 5, 5, 5	C. 1959 (1979)
Fibancial assets	:	
Cash and each encivaterate		979
Total financial assets		479
Financial liabilities		
Trade and Other Payables		32.021
Total finaticial liabilities		22,721

2010	AverageVariableLessBetweenNon-latTotalinterestinterestinterestinterestinterestrateraterateyearyears\$\$\$\$\$
Financeaf assets	
Clash and so th equivalents Receivables Tiotal financial assets	
Financial liabilities Payables Total financial (iabi)(ites	21,228 21,228

Liquidity is a anaged by envaring sufficient each and each equivalents are available to recet obligations as and when they fall dee.

16. Company details

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Sport Knowledge Austrelia Pty Ltd is incorporated in Australia. The address of the registered office is Old Teachers College, University of Sydney, Mapping Stocet, Comparison NSW 2006.

(End of Audited Fitzancial Statements)

Sport Knowledge Australia Pty Ltd

Financial Statements

for the year ended 31 December 2010

Sport Knowledge Australia Pty Ltd

Financial Statements

for the year ended 31 December 2010

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SPORT KNOWLEDGE AUSTRALIA PTY LTD Director's Declaration For the year ended 31 [lecember 2010]

The Director of the Company bereby declares their

The financial statements and intes set out to the attached pages :

- (i) Present as far as can be established a true and fuir view of the financial position of the company as 31 December 2010 and transactions for the year then ended.
- (n) Because the company ceased normal operations in 2010 there have been likelations on the evidence and explanations available to the director and auditors due to the efflux ion of time and ceparture of all management and staff of the company.
- (iii) At the date of signing this statement, the director cannot offer assorance as to the accuracy or completeness of the 2010 financial statements.

This declaration is made in accordance with a resolution of the Sole Director of the Board.

John Hearn Director Sydney, New South Wales

Date this

4th

day of April 2013



INDEPENDENT AUDITOR'S REPORT

Sport Knowledge Australia Pty Limited

To Members of the New South Wales Parliament.

I have audited the accompanying financial statements of Sport Knowledge Australia Pty Limited (the Company) which comprise the statement of financial position as at 31 December 2010 the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended notes comprising a summary of significant accounting policies and other explanatory information.

Basis for Disclaimer of Opinion

I was unable to obtain sufficient and/or appropriate evidence to support material transactions related to at areas of the Company's operations. There are limitations to the evidence and explanations able to be provided to me due to management statt, and directors being no longer employed or available whom the Company. Any alternative records that exist are not adequate to permit the application of necessary audit procedures.

As a result of these matters, I was unable to determ he whether any adjustments might have been found necessary in respect of the elements making up the statement of financial position as at 31 December 2010, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the year then ended and other explanatory information.

My opticition the Company's 2009 financial statements was qualified. These were the first financial statements the Company prepared under the Public Finance and Audit Act 1983 (the PF&A Act) and consequently, I had not autited prior period operations. Because I was unable to obtain sufficient appropriate audit evidence to form an opinion on the balances as at 30 June 2008 or to support certain transactions during the subsequent eighteen month period ended 31 December 2009, I was also unable to form an opinion on the results and cash flows for 8tb eighteen month period ended on that cate.

Disclaimer of Opinion

Because of the significant timitation on the scope of my work described in the Basis for Disclammer of Opinion paragraphs. I have not been able to obtain sufficient appropriate aud:1 evidence to provide a basis for an audit opinion. Accordingly, I do not express an epinion on the financial statements

My displarmed opinion should be read in conjunction with the rest of this report.

Emphasis of matter paragraph

Witsput qualification to the disclaimed opinion expressed above

I draw attention to Note 1 (b) of the (inancial statements which states that the financial statements are prepared on a non-going concern (Lguidation) basis. Under this basis of accounting, assets are valued at their anticipated net realisable amounts and habilities at their astimated settlement amounts. As explained in Note 1 (b) the company is in liquidation and in the process of biring would up.

Level 15 (a Marganet Street, Sydney NSW 2000) - Other Street, Street Street Control Street Stre

The Director's Responsibility for the Financial Statements

The Director is responsible for the preparation of the financial statements that give a true and fairly exin accordance with Australian Accounting Standards and the PF&A Act for such internal control as the Director determines is necessary to enable the preparation of financial statements that give o true and fair view and that are free from material misstatement, whother due to fraud or error

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on conducting my audit in accordance with Australian Auditing Standards. However, because of the matters described in the Basis for Disclaimer of Opinion paragraph. I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PESA Act further promotes independence by

- providing that only Parkament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision
 of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South
 Wates are not compromised in their roles by the possibility of losing clients or income

leter Autort

Peter Achterstraat Auditor-Generat

LG April 2013 SYDNEY

SPORT KNOWLEDGE AUSTRALIA PTY LTD Statement of Comprehensive Income For the year ended 31 December 2010

	Note	12 months to December 2010 S	18 months to December 2009 S
Revenue	2	254,837	2,267,580
Administrative expenses		8,208	194,568
Advertising and promotion expenses		720	65,235
Centractors and consulting expenses		24,650	293.559
Course delivery expenses		0	\$8,295
Depreciation		0	30,680
Employee expenses	3	166,387	858,576
IT and software expenses		242	95,042
Legal expenses		772	26.653
Rental expenses		1,970	64,420
Production cost		0	93,540
Travel expenses		1,619	92,723
Interest expense		1.361	0
Bad debt expense		13,969	0
Other expenses		1.936	8.099
Operating result before financing income		33,093	386.190
Loss on Disposal of Assets		0	(7,888)
Financing income	5	349	3,066
Operating result before income tax and impairment of intangible assets and property, plant and equipment		33,352	381,368
Income tax income/(expense)	6	0	0
Impairment of Intangibles		0	602,593
Impairment of property, plant and equipment		·	80.254
Operating result after income tax and impairment attributable to the members of Sport Knowledge Australia Pty Ltd		33,352	(301,479)
Other comprehensive income		0	0
Total comprehensive income attributable to members of Sport Knowledge Australia Pty Ltd		33.352	(301,479)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

SPORT KNOWLEDGE AUSTRALIA PTY UFD Statement of Financial Position As at 31 December 2010

	Note	2010	2009
		\$	5
Assets			
Current assets	7(a)	6,304	28,847
Cash and cash equivalents	8	3,595	7,709
Trade and other receivables	а	9,899	36,856
Total current assets		2000	
Non-current assets			
Property, plant and equipment	٩ 		
Total non-current assets		0	0
Total assets		9,899	36,556
Liabilities			
Current liabilities			
Trade and other payables	10	21.972	49,635
Employee benefits	11	0	32,346
Total Current Liabilities	_	21,972	81,981
Total Liabilities	-	21,972	81,981
Net assets	-	(12.073)	(45,425)
Equity Share capital Retained comings Total Equity	13	6 (12.079) (12.073)	6 (45,431) (45,425)

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

SPORT KNOWLEDGE AUSTRALIA PTY LTD Statement of Changes in Equity For the year ended 31 December 2010

	Share Capital	Retained Earnings	Total Equity
	3	\$	ŝ
Balance I July 2008	6	256,048	256,054
Operating result for the 18 months to 31 December 2009	0	(301,479)	(301,479)
Other comprehensive income	0_	0_	0
Balance at 31 December 2009	6	(45,431)	(45,425)
Balance January 2010	6	(45,431)	(45,425)
Operating result for the year ended [31 December 2010]	0	33,352	33,352
Other comprehensive income	0	0	0
Bafance at 31 December 2010	6	(12,079)	(12,073)

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

SPORT KNOWLEDGE AUSTRALIA PTY UTD Statement of Cash Flows For the year ended 31 December 2010

	Note	2010	2009
	LACHA.	5	S
Cash flows from operating activities			
Receipts from customers		40,823	465.296
Payments to suppliers and employees		(283,715)	(2.077.588)
Cash generated from operations		(242.892)	(1,612,292)
Interest received		349	3,066
Net cash provided by/(used in) operating activities	7ь	(242,543)	(1,609,226)
Cash flows from financing activities			
Loans from parent company		220,000	1,615,000
Net cash from financing activities		220,000	1,615,000
Net increase/(decrease) in cash and cash equivalents		(22,543)	5,774
Cash and cash equivalents at the beginning of the year		28,847	23,073
Cash and cash equivalents at the end of the year	7a	- 6,304	28,847

The above statement of cash flows shindd be read in conjunction with the occompanying notes.

1. Summary of significant accounting policies

These financial statements are general purpose financial statements that have been prepared in accordance with the *Public Finance and Audit Act 1983*, the Public Finance and Audit Regulation 2010, Australian Accounting Standards (including Australian Accounting Interpretations).

The financial statements were authorised for issue by the Board on the date on which the accompanying Director's Declaration was signed. The statements will not be amended and reissued as they have been audited.

(a) Basis of preparation

The financial statements have been prepared on a liquidation basis. Assets and financial liabilities are measured at recoverable amount. Refer Note 1(b).

(b) Non-going concern basis

The Sole Director resolved that the company be wound up. A liquidator has been appointed to the company, and it is expected that it will be wound up by the end of 2013. As a result, the financial statements have been prepared on a non-going concern (liquidation) basis. Under this basis of accounting, assets are valued at their anticipated net recoverable amounts and liabilities at their estimated settlement amounts. Comparative balances continue to apply the going concern basis of accounting.

(c) Income tax

Income tax on the profit and loss for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted in the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for texation purposes. Temporary differences are not provided for the initial recognition of assets or habilities that affect neither accounting nor taxable profit. The amount of deterred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future tax profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(d) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation (see below) and impairment losses (See accounting policy f)

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

(ii) Leased assets

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Other leases are classified as operating leases.

(iii) Subsequent costs

The Company recognises in the carry amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the item can be measured teliably. All other costs are recognised in the income statement as an expense as incurred.

(iv) Depreciation

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part on an item of property, plant and equipment. The estimated useful lives in the current and comparative periods are as follows:

•	Plant and equipment	2 % - 13 %	years
•	Leasehold improvements	2 – 3	years
•	Website	2 %	years

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually.

(e) Impairment

The carrying amounts of the Company's assets are reviewed at each halance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated (See accounting policy f(:)).

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognized as a reversal to the extent that previous revoluation with any excess recognized through profit or loss.

Impairment losses recognised in respect of eash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to eash-generating units (group of units) and then, to reduce the carrying amount of other assets in the unit (group of units) on a pro-rata basis.

i. Calculation of recoverable amount

The recoverable amount of the Company's investments in receivables carried at amortised cost is cateshied as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e., the effective interest rate computed at initial recognition of this financial asset). Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

ii. Reversals of impairment

Impairment losses, other than in respect of goodwill, are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of other assets is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

(f) Employee benefits

(i) Defined contribution plans

Obligations for contributions to the defined contribution pension plans are recognized as an expense in profit or loss when they are due.

(ii)Long-term service benefits

The Company's net obligation in respect to long-term employee benefits, other than pension plans, is the amount of future benefit that employees have carned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted.

(iii) Short-term beacfits

Liabilities for employee benefits for wages, salaries, anneal leave and sick leave represent present obligations resulting from employees' services movided to reporting date and are

calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax. Non-accumulating non-monetary bunctits, such as free or subsidised goods and services, are expensed based on the net marginal cost to the Company as the benefits are taken by the employees.

(g) Revenue

Services readered

Revenue from services rendered comprises fee income earned from the delivery of various Nports. Neichee and Management courses and is recognized in the statement of comprehensive income when the delivery of the relevant course commences. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the costs incurred cannot be measured reliably or the relevant courses on offer have yet to commence delivery.

DEST funding revenue

The Company was a recipient of funding from the Department of Education, Science and Technology ("DEST"). The funding is for a total of \$8,602,000, and was received as follows:

Year ended	Funding
30-Jun-04	\$1.672,000
30-Jun-05	\$3,300,000
30-Jun-06	\$2,530,000
30-Jun-07	<u>51,100,000</u>
	\$8,602,000

The DEST funding revenue is deferred and recognised over the period in which the expenses for which the funding has been provided are incurred.

(b) Cash and cash equivalents

Cash and cash equivalents includes each on hand and in the bank and short term deposits with a maturity of three months or less that are readily convertible to cash and which are subject insignificant risk of change in value. For the purpose of the cash flow statement, each and each equivalents consist of cash and each equivalents os defined above, net of outstanding bank overdrafts.

(i) Trade and other receivables

Trade and other receivables are stated at their amortised cost less impairment losses (Sec accounting policy c).

(i) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or hability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are classified as operating cash flows.

(k) Trade and other payables

Trade and other payables are stated at their amortised cost. Trade payables are non-interest bearing and are normally settled on 30-day terms.

(1) New Accounting standards and AASB interpretations

The company has assessed the new Australian Accounting Standards that have recently been issued or amended but are not yet operative or applied. It has been determined that these new accounting standards will have no material impact on the Company's financial statements in the period of initial application.

At the reporting date, a number of new accounting standards and interpretations have been issued but are not yet operative and have not been early adopted by the company.

(n)Comparative figures

Where required by Accounting Standards and business requirements, comparative figures have been adjusted or reclassified to conform with changes in presentation for the current financial year.

		12 months to December	18 months to December
		2010	2009
		\$	5
2.	Revenue		a.c.a.a.a.a.a.a.a.a.a.a.a.a.a.a.a.a.a.a
	Course fee revenue	0	263,080
	Knowledge services	6,500	59,500
	Sponsorship		5,750
	Export grant	0	49,857
	Lozn forgiveness	220,000	1,835,000
	Commissions	28,337	54,393
		254,837	2,267,580
3.	Employee expenses		
	Wages and sataries	163,385	822,863
	Other associated personnel expenses	3,002	35,713
		166,387	858,576
4.	Auditor's remoneration		
	"Previous audit (KPMG) for audit and	5, 250	10,000
	review of prior financial statements"		· · · · ·
	The current auditor is the Audit Office of NSW and the current year audit fee of \$4,700 ex-GST will be borne by The University of Sydney.	5,250	10,000
5.	Net financing income		
	Interest income		3,066
		349	3.066
6.	Income tax expense/(income)		
	Income tax expenses(income) in relation to current period tax losses	0	0
	Adjustment relating to prior period	0	0
	Total income tax expense/(income)		
	Local mediane and exhelised (include)		<u> </u>

	liation of income tax expense to		
prima facie tax pay Operating profit/(los	na' hafana inggana tas	352	(301,479)
expense [ncome tax using the (2009: 30%)	e tax rate of 30% 10,4	X)6	(90.444)
Less: tax effect of ca forgiveness	apital profit on loan (66.0	90)	(550,500)
Current period tosset tax assets are not rec		994	
Income tax expense/	(iacome)	0	¹¹
7. (a) Cash and cash e	squivalents		
Bank balances		304	28,847
	6,	304	28,847
(b) Reconciliation (from operating	of operating result after income tax for the period to cash flows activities.		
Cash flows from op	perating activities		
Operating profit/(los	ss) for the period 33,7	352	(301,479)
Adjustments for:			
Interest received	(3	49}	(3,066)
Depreciation		0	30,680
Write off of intangib		0	602,593
Impairment of prope equipment	arty, plant and	0	80,254
Loan forgiveness	(220,0	00)	(1,835,000)
Sale of assets		Ó	3,498
Loss on sale of asset	ts	0	7,888
Operating result he working capital and		97)	(1,414,632)

	(Increase)/decrease in trade and other				
	receivables			4,114	33,982
	(Decrease)/increase in trade and other payables			(27,663)	(211,752)
	Increase/(decrease) in provisions for employee benefits		-	(32,346)	(19,890)
	Cash generated from/(used in) operating activities			(242,892)	(1,612,292)
	Interest received			349	3066
	Net each from/(used in) operating activities			(242,543)	(1,609,226)
	Financing facilities and balances as at 31 December 2010				
	There is a master card facility of \$100,000 (2009 : \$100,000)				
8.	Trade and other receivable			7.646	6 750
	Trade receivables			3,595	5,750
				3,595	5,750
				2,22,0	5,750
9.	Property, plant and equipment				
9.	Property, plant and equipment	Plant and equipment	Leasehold improvements	Website	Total
9.					
9.	Cost	equijonent S	improvements S	Website S	Total S
9.	Cost Balance 1 July 2008	ецијнаса) \$ 216,094	improvements \$ 95,584	Website \$ 49,074	Total S 360,752
9.	Cost Balance July 2008 Disposals	еqиізнасті \$ 216,094 (15,121)	improvements \$ 95.584 0	Website S	Total S 360,752 (15,121)
9.	Cost Balance 1 July 2008	ецијнаса) \$ 216,094	improvements \$ 95,584	Website \$ 49,074 0	Total S 360,752
9.	Cost Balance 1 July 2008 Disposals Balance 31 December 2009 Depreciation and impairment losses	еqцізнася) \$ 216,094 (15,121) 200,973	improvements \$ 95,584 0 95,584	Website \$ 49,074 0 49,074	Total S 360,752 (15,121) 345,631
9.	Cost Balance 1 July 2008 Disposals Balance 31 December 2009 Depreciation and impairment losses Balance 1 July 2008	еqцізнася) \$ 216,094 (15,121) 200,973 100,134	improvements \$ 95.584 0 95.584 95,584	Website \$ 49,074 0 49,074 42,714	Total S 360,752 (15,121) 345,631 238,432
9.	Cost Balance 1 July 2008 Disposals Balance 31 December 2009 Depreciation and impairment losses Balance 1 July 2008 Depreciation charge for the period	еqцірнаелі \$ 216,094 (15,121) 200,973 100,134 27,373	improvements \$ 95,584 0 95,584 95,584 0	Website \$ 49,074 0 49,074 42,714 3,307	Total S 360,752 (15,121) 345,631 238,432 30,680
9.	Cost Balance 1 July 2008 Disposals Balance 31 December 2009 Depreciation and impairment losses Balance 1 July 2008 Depreciation charge for the period Impairment for the period	еqцірнаєті \$ 216,094 (15,121) 200,973 100,134 27,373 77,201	improvements \$ 95.584 0 95.584 95,584 0 0	Website \$ 49,074 0 49,074 42,714 3,307 3,053	Total S 360,752 (15,121) 345,631 238,432 30,680 80,254
9.	Cost Balance 1 July 2008 Disposals Balance 31 December 2009 Depreciation and impairment losses Balance 1 July 2008 Depreciation charge for the period Impairment for the period Disposals	еqцірнаелі \$ 216,094 (15,121) 200,973 100,134 27,373 77,201 (3,735)	improvements 95,584 0 95,584 0 0 0 0 0	Website \$ 49,074 0 49,074 42,714 3,307 3,053 0	Total S 360,752 (15,121) 345,631 238,432 30,680 80,254 (3,738)
9.	Cost Balance 1 July 2008 Disposals Balance 31 December 2009 Depreciation and impairment losses Balance 1 July 2008 Depreciation charge for the period Impairment for the period	еqцірнаєті \$ 216,094 (15,121) 200,973 100,134 27,373 77,201	improvements \$ 95.584 0 95.584 95,584 0 0	Website \$ 49,074 0 49,074 42,714 3,307 3,053	Total S 360,752 (15,121) 345,631 238,432 30,680 80,254
9.	Cost Balance 1 July 2008 Disposals Balance 31 December 2009 Depreciation and impairment losses Balance 1 July 2008 Depreciation charge for the period Impairment for the period Disposals	еqцірнаелі \$ 216,094 (15,121) 200,973 100,134 27,373 77,201 (3,735)	improvements 95,584 0 95,584 0 0 0 0 0	Website \$ 49,074 0 49,074 42,714 3,307 3,053 0	Total S 360,752 (15,121) 345,631 238,432 30,680 80,254 (3,738)

10. Trade and other payables

Trade payables		21,228	25,537
Other payables and accrued expenses			24.098 49.635
11. Émployce benefits Liability for annual leave		<u> </u>	
	. –	0	32,346

12. Tax assets and liabilities

At batance date, the company has taxable temporary differences and tax losses that have not been recognised as deferred tax fiabilities or assets.

The company is in the process of being wound up and the company will not earn sufficient taxable profits to utilise the tax losses and deferred tax liability.

13. Share capital

Ordinary shares		
Issued and fully paid	6	6

There has been no movement in issued capital in the periods covered by this report. The fully paid ordinary shares carry one vote and carry the right to dividends.

In the event of winding up of the Company, the ordinary shareholder ranks after creditors and are fully entitled to any proceeds of liquidation.

Dividends

There were no dividends paid or declared by the Company to the member since the end of the previous financial period.

14. Commitments

There were no amounts committed by the Company.

15. Economic dependency

The Company is economically dependent on The University of Sydney for funding.

16. Subsequent Events

The company is in the process of being wound up & it is anticipated the company will be wound up by December 2013.

17. Related Party Transactions

The company is a Controlled Entity of The University of Sydney-

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

19. Financial risk management

The company's principal financial instruments comprise cash at bank, receivables and trade and other payables.

Risk exposures and responses

The company's activities expose it to a variety of financial risks: credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company.

The company is not exposed to interest risk

(a) Credit risk

The company does not have any significant risk exposure to any single counterparty. The credit risk on short term deposits is limited because counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the balance sheet represents the company's maximum risk exposure to credit risk.

The company does not hold any seemities or guarantees.

(b) Liquidity risk

The following tables summarise the maturity of the company's financial assets and financial liabilities.

	Average Vortable illess illeswern Mon and silts	nial a Mainte
	Anatom Protest Law and Available and Available and Available and Available and Available and Available and Avai	
Financial assets	n san na manangan na kanangan na kanang Kanangan na kanangan na kana	3 1314 77
Cash and cush equivalents Receivables		104 595 -
Total financial assets	<u>9,890</u> 9,8	gas)
Financial liabilities		
Payables Total financial diabilities		
an 19 2009 - Andreas Angel, and an Angel, and an Angel, and an 19 - Angel, and an Angel, and an Angel, and an Angel, and an	Average Variable Less, Between Non- intel To interest finterest than 1 1 and 5 crest	ntal -

:		•.	rate S	nate . \$	year \$	years \$	\$ \$
ł	Financial assets			• .	••		-
	Casi: and each equivalents Receivables Fotal financial assets			-	-		28.847 28.847 7.709 7.709 36. <u>556</u> 36.5 <u>56</u>
	Financial liabilities						
	Payables Total financial liabilities			<u> </u>	.		<u>49,635</u> <u>49,635</u> <u>49,635</u> <u>49,635</u>

Liquidity is managed by ensuring sufficient each and each equivalents are available to meet obligations as and when they fall due.

20. Company details

Sport Knowledge Australia Pty Ltd is incorporated in Australia. The address of the registered office is Old Teachers College, University of Sydney, Manning Street, Campordown NSW 2006.

(End of Audited Financial Statements)

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This is a supplementary volume to the University of Sydney's 2012 Annual Report. The full annual report is available at sydney.edu.au/about/publications/annual_report

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ABN 15 211 513 464 CRICOS 00026A