

ShineWing Australia  
Level 10, 530 Collins Street  
Melbourne VIC 3000

Dear Sirs

In connection with your audit examination of the financial report of University of Melbourne Student Union Incorporated for the year ended 31 December 2014 we hereby confirm, at your request, that to the best of our knowledge and belief, the following representations relating to the accounts are correct.

### **Financial report**

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated 29 April 2014, for the preparation of the financial report.

The financial report of the Association has been drawn up so as to give a true and fair view of the Association's financial position as at 31 December 2014 and performance for the year ended on that date in accordance with the applicable financial reporting framework.

The accounting records of the Association were maintained in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the financial report was prepared in accordance with Australian Accounting – Reduced Disclosure Requirements (including Accounting Interpretations) and other mandatory professional requirements in Australia.

### **Accounts Receivable**

1. Current accounts receivable at reporting date amount to \$294,052 are valid debts and do not include amounts due for goods on consignment or on approval.
2. Debts due that are known to be uncollectible have been written off and the provision for impairment of receivables is sufficient to cover allowances, discounts and losses that may be sustained in collection of the debts.

### **Other Current Assets**

We expect to realise all other current assets at least at the amounts at which they are stated in the financial report.

### **Liabilities**

1. All liabilities including those arising under derivative financial instruments, which have arisen or which will arise out of the activities of the members of the Association to the end of the financial year have been recorded and/or disclosed in the financial report.
2. There were no provisions or contingent liabilities including:
  - Guarantees;
  - Bills and accounts receivable discounted, assigned or sold and which are subject to recourse;
  - Endorsements;
  - Pending law suits, unsatisfied judgements or claims;

- Repurchase agreements; or
  - Uncalled capital on shares held in other companies at reporting date;
- which are not shown in the notes to the financial report.
3. The liability recorded for North Sydney Council Joint Venture of \$545,761 accurately reflect the liability at year end.

### **Commitments**

1. There are no material commitments for construction or acquisition of property, plant & equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.
2. There were no commitments for purchase or sale of securities or assets.

### **Related party transactions**

1. We have made available to you all information regarding the identification of related party relationships and transactions.
2. We have made available to you details and records relating to:
  - a) Any agreements or transactions between employee controlled entities and this Association;
  - b) Any equity interests or directorships held by employees in other entities, which are party to, directly or indirectly, any agreements or transactions with this organisation and/or any controlled entity or related party of this organisation.
  - c) Any external accounting advice received on these agreements, transactions or interests.
3. All details concerning related party transactions and related amounts receivable or payable (including sales, purchases, loans and guarantees) have been correctly recorded in the accounting records and have been properly disclosed in the Association financial report or the notes thereto, either where required by statute or where such disclosure is necessary for the fair presentation of the Association's financial report.

### **Taxation**

1. The Association is a not-for-profit organisation and is exempt from income tax including capital gains tax in accordance with the provisions of the Income Tax Assessment Act 1997.
2. The Association is exempt from payroll tax.
3. Records maintained during the year were in accordance with the Australian Taxation Office requirements.

### **Environmental issues**

We have considered whether environmental matters could have a material impact on the financial report and conclude that:

- We are not aware of any material liabilities or contingencies arising from environmental matters, including those resulting from illegal or possibly illegal acts.

- We are not aware of environmental matters that may result in a material impairment of assets.
- Where we are aware of such matters referred to in the two points above, we have disclosed to you all facts relating to those matters.

#### **Accounting misstatements detected by audit**

1. We acknowledge that the attached uncorrected misstatements have been brought to our attention and have considered the impact of these on the financial report. We conclude these misstatements are quantitatively and qualitatively immaterial to the financial report taken as a whole, when considered individually or in aggregate. (APPENDIX 1)
2. We have advised to you and adjusted the financial report for all material misstatements that we have identified from previous periods.
3. We have also considered the impact of uncorrected misstatements from previous periods and conclude the aggregate amount of these misstatements is immaterial to the previous and current periods' financial reports.

#### **Insurance**

The Association has an established procedure whereby an officer reviews at least annually the adequacy of insurance cover on all assets and insurable risks. This review has been performed, and where it is considered appropriate, assets and insurable risks of the Association are adequately covered by insurance.

#### **Litigation and claims**

We have provided to you all information regarding material outstanding legal matters.

#### **Accounting estimates**

We confirm the significant assumptions used in making accounting estimates are reasonable and have been disclosed in the financial report.

#### **Fair value measurements and disclosures**

We confirm the significant assumptions used in fair value measurements and disclosures are reasonable, and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the Association.

#### **Going concern**

In the opinion of the directors of the Association, there are reasonable grounds to believe that the Association will be able to:

- Pay its debts as and when they fall due.
- Continue as a going concern for the foreseeable future.

We, therefore, confirm that the going concern basis is appropriate for the financial report.

#### **Events after the reporting date**

We are not aware of any events that have occurred between the financial reporting date to the date of this letter that we need to disclose or recognise in the financial report.

#### **Publication on web site**

With respect to publication of the financial report on our website, we acknowledge that:

- a) We are responsible for the electronic presentation of the financial report;
- b) We still ensure that the electronic version of the audited financial report and the auditor's report on the web site will be identical to the final signed hard copy version;
- c) We will clearly differentiate between audited and unaudited information in the construction of the entity's web site as we understand the risk of potential misrepresentation;
- d) We have assessed the controls over the security and integrity of the data on the web site and that adequate procedures are in place to ensure the integrity of the information published; and
- e) We will not present the auditor's report on the full financial report with extracts only of the full financial report.

#### **Comparative information**

We confirm that there have been no restatements made to correct a material misstatement in the prior period financial report that affects the comparative information.

#### **Fraud and error**

1. There has been no:
  - a) Fraud, error, or non-compliance with laws and regulations involving management or employees who have a significant role in the internal control structure.
  - b) Fraud, error, or non-compliance with laws and regulations that could have a material effect on the financial report.
  - c) Communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.
2. The Association has disclosed to the auditor all significant facts relating to any frauds or suspected frauds known to management that may have affected the entity.
3. The Association has disclosed to the auditor the results of its assessment of the risk that the financial report may be materially misstated as a result of fraud.

#### **General**

1. We have made available to you:
  - a) All financial records and related data, other information, explanations and assistance necessary for the conduct of the review.
  - b) Minutes of meetings of directors.
2. Neither the Association nor any directors have any plans or intentions that may materially affect the book value or classification of assets and liabilities at the reporting date.
3. The Association accepts responsibility for the implementation and operations of accounting and internal control systems that are designed to prevent and detect fraud and error. We have established and maintained adequate internal control to facilitate the preparation of a reliable financial report, and adequate financial records have been

maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.

4. We have no plans or intentions that may materially affect the carrying values, or classifications, of assets and liabilities.
5. The following have been properly recorded or disclosed in the financial report:
  - a) Arrangements involving restrictions on cash balances, compensating balances and line-of-credit or similar arrangements.
  - b) Agreements to repurchase assets previously sold.
  - c) Unasserted claims or assessments that our lawyer has advised us are probable of assertion.
  - d) Losses arising from the fulfilment of, or an inability to fulfil, any sale commitments or as a result of purchase commitments for inventory quantities in excess of normal requirements or at prices in excess of prevailing market prices.
6. The minutes of meetings of directors made available to you are complete and authentic records of all such meetings held during the year. All other statutory records were properly kept during the period.
7. Records maintained during the period were in accordance with the Australian Taxation Office requirements.
8. There are no violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.
9. The Association has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.

We understand that your examination was made in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the Association taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours faithfully

On behalf of the Executive Committee

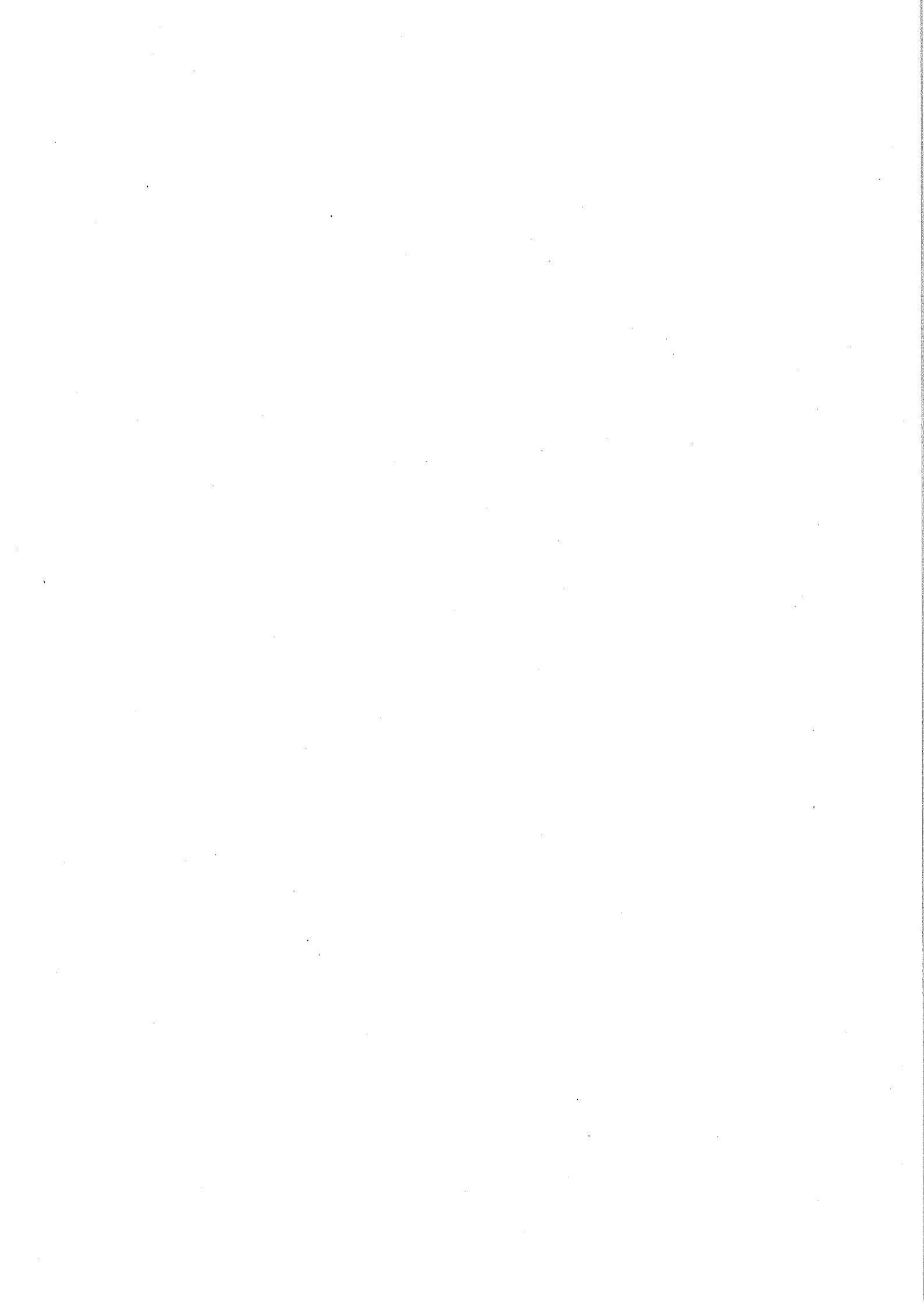


Rachel Withers  
President



Hana Dalton  
General Secretary

Date this 28 day of April 2015



**APPENDIX 1**

Misstatement no.	Description	Account Name	Statement of Financial Position		Statement of Comprehensive Income	
			Debit \$	Credit \$	Debit \$	Credit \$
1	Reallocate negative debtor balances to creditors	Trade Debtors	5,210			
		Trade Creditors		5,210		
		Bad and Doubtful Debts expense			3,437	
2	Write off doubtful debts					
		Trade Debtors		3,437		
<b>Total</b>			<b>5,210</b>	<b>8,647</b>	<b>3,437</b>	<b>-</b>