

UTS Union Limited

Annual Report



2009



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Board & Staff

Listing 2009

UTS UNION BOARD

Chair

Associate Professor Geoff Riordan
[appointed 1 April 2008]

Treasurer

Emeritus Professor Tony Moon

President

Ms Rebecca Trewick [until 6 October 2009]

Ms Felicity Evans [from 7 October 2009]

Vice-President

Ms Felicity Evans [until 6 October 2009]

Mr Laurence Wainwright [from 7 October 2009]

3rd Council appointee

Mr Bill Paterson

Staff Directors

Ms Sue Kirk

Mr Paddy Parkhill [until 6 October 2009]

Associate Professor Aron Murphy [from 7 October 2009]

Student Directors

Mr Darren Bark [from 7 October 2009]

Mr Christopher Chase [until 6 October 2009]

Mr Andrew Ho

Ms Sandy Natarajan

Mr Alex Rybak

Mr Kamal Zreika

CEO

Mr Tom O'Sullivan

SENIOR STAFF

Sport and Recreation Manager

Ms Elizabeth Brett

Food and Beverage Manager

Mr Geoff Brooke-Smith

Retail Manager

Mr Paul Brien

Marketing, Events and Programs Manager

Christian Gobolos

Chief Financial Officer

Mr Alan Riley

Senior HR Officer

Mr Peter Rudd

Chair's Report

My office in Building 10 overlooks the construction taking place on what is left of Alumni Green. Watching the heavy machinery busily excavating the site of what will be the underground Multi-Purpose Sports Hall, I can also hear the sounds from two floors above of the final stages of construction of the new Function Centre. Quite possibly I am the only person in this building not complaining about the noise and disruption that these major projects have caused! On the contrary, as Chair of the Union Board I am pleased that work is well underway on these two projects.

During 2009 the Union and the University finalised arrangements for the new Function Centre. By mid-2010 the new centre should be fully operational. This state of the art facility, jointly funded by the University and the Union, will cater for conferences, receptions, short courses, University meetings and activities, and will provide opportunities for increased income that will support the future sporting and cultural programs of the Union. While not a Union venture, the University has asked the Union to manage the Multi-Purposes Sports Hall. This Hall, which has been designed to cater for both the University's teaching programs and Union sporting activities, is the first of several major building projects that comprise the UTS City Campus Master Plan.

These developments illustrate a number of the distinguishing features of the UTS Union. Most obvious is the progressive and enterprising way in which the Union seeks to realise its mission to provide a wide range of sporting and cultural activities for the University community. In this way the Union plays an important role in the broad education of students and connects with staff and students to contribute to the positive culture of UTS.

The two projects that I have just described point to another, less obvious characteristic of the Union, and one which possibly only the members of the Board and the senior officers of the Union are fully aware. This characteristic is the extent to which the University continues to support all of the Union's endeavours. Since the introduction of VSU, the Union has managed to maintain and expand its programs due to the generous financial support of the University. While the Union has cash reserves and these have generated earnings to supplement profits from trading, without the University's considerable annual grant, the Union would not have been able to maintain its

programs. The University's support is not limited to this grant. The Vice-Chancellor, Professor Ross Milbourne, and Deputy Vice-Chancellors Professor Shirley Alexander and Mr Patrick Woods, are all very supportive of the Union and I would like to publicly thank them, on behalf of the Board, for their remarkable commitment to our organisation. More than just attending a large number of Union events and activities, they have actively engaged in a wide range of issues to ensure that the best possible outcomes are achieved for the University community.

I trust that you will be as impressed as I have been by the many achievements of the Union's clubs and societies. They have provided a wide range of social, cultural and sporting activities for students and staff during the year. My thanks go to their leaders for their valuable contribution to campus life.

On behalf of the Board I would like to thank the CEO, Tom O'Sullivan, and the staff of the Union. The Union is an extremely efficient and effective organisation. The Board is very grateful for the commitment of all of the staff, especially in the situation where resources are so limited. Finally, I would like to extend my personal thanks to all the Board members. Union President Rebecca Trewick and Vice-President Felicity Evans have devoted a lot of time and energy to their role. I would like to thank outgoing Directors Chris Chase and Paddy Parkhill for their contribution to the Union and to welcome to the Board new Student Directors Darren Bark and Laurence Wainwright, and Staff Director Aron Murphy.

I commend this Annual Report to the University community.

Geoff Riordan
Chair

President's Report

2009 was a year that saw the UTS Union Ltd prevail over financial difficulties imposed by voluntary student unionism (VSU) and continue to be a vibrant, engaging and relevant organisation.

It was unfortunate to see the Senate vote against legislation for a student fee that would have brought much needed financial relief to university unions around the country. In such a financially unstable environment and considering that all profits of the Union are re-invested into the UTS community, it is imperative for Union to be successful in our commercial activities. 2009 saw the opening of the new Harris Street Café and it has been performing well in its first year of operation. This is a fantastic addition to our other retail, food and beverage outlets.

This year construction began for the new function centre, a collaborative venture between the Union and the University. The new function centre will be located on level 7, UTS Building 10. The centre will be an attractive contemporary venue that will be able to cater for large formal dinners, board room meetings, conferences, seminars social parties, product launches and training spaces. The function centre is the largest capital investment since the introduction of VSU and will allow the UTS Union Ltd. to provide state of the art facilities to UTS students and consumers.

Affiliated clubs and societies are an integral part of the Union as they enable students to get together and share common interests, whether that be cultural backgrounds, beliefs, sport, charities, faculties or political aspirations. What is common between these clubs and societies is giving students the opportunity to gain and refine their skills in effective leadership, networking, communication, negotiation, team work, future planning, budgeting and policy development, all of which are graduate skills that are not necessarily taught in the classroom. The executives of clubs and societies have worked tirelessly to create events for their members. I have lost count of the amount of times that I have been told by students that it was their club that had provided them with friendships, professional networks,

study buddies and direction in what they want to achieve in their course and after graduation. In 2009 the Union increased the budget allocation to clubs and societies to financially support them with their endeavours.

The Sport and Recreation Department has continued to support elite athletes and 2009 saw an increase in sports scholarships awarded to our high performance athletes who have represented UTS, NSW and Australia. UTS had a very strong representative team for the Australian University Games and was placed overall in the top eight. The recreation team has been very busy throughout 2009 providing students, staff and alumni with short courses, day trips and adventures.

The Marketing, Events and Programs Department provided students with free events throughout 2009 including Gigs at the Glasshouse, A Fair Day, State of Origin parties, pool comps, trivia nights, outdoor cinemas, St Patrick's Day celebrations, Oktoberfest, BBQs, clubs days and sport gala days. I would also like to recognise the generous financial support that the University has provided the Union to allow us to continue to provide programs at pre-VSU levels.

The UTS Union Ltd has and will continue to support university welfare initiatives including Child Care Inc., equity and diversity, reconciliation and keeping students 'Safe @ UTS'.

It has been an absolute privilege to be President of the UTS Union and I would like to thank Tom O'Sullivan, the Board, Heads of Department and all UTS Union staff for their dedication and commitment to the Union's mission of 'enriching the UTS community'. I wish the UTS Union Ltd every success for 2010.

Rebecca Trewick
UTS Union President 2009

CEO's Report

In setting the 2009 Union Budget the Board of Directors endorsed a deficit operating position of around \$200,000. This decision reflected the Board's determination to maintain the Union's contributions to student and campus life in the challenging financial context of the global financial crisis. Moreover, the Board was able to endorse this approach because of the strong financial position of the Union which had been established by previous Boards and management.

By half way through the year the Union was faced with a deterioration of its budgeted deficit primarily due to further declines in its interest earnings. Again, the Board, after detailed consideration of all the issues, decided to maintain its emphasis upon the Union's constitutional charter and endorsed a continuation of its delivery of programs and events which would in turn incur an enlarged operating loss.

The processes undertaken by the Board outlined above indicate two fundamental principles for the Union. Firstly, its commitment, as outlined in the Constitution, to provide facilities and services to the UTS community. The challenging financial conditions also highlight the importance to the Union of its relationship with the University. While this relationship is formally expressed through a three year funding arrangement, it is the less tangible depth of the relationships with senior University Officers which drive the partnership. The ongoing support of the Vice-Chancellor, Professor Ross Milbourne, and Deputy Vice-Chancellors Shirley Alexander and Patrick Woods, is integral to the Union's achievements. The involvement of these senior officers in Union programs and events large and small, formal and informal, is a constant reassurance to the Union.

The Union's operating result underpinned the delivery of many program highlights covered elsewhere in this Report. Since voluntary student unionism was introduced the Union, with the University's support, has continued to expand student life. In particular, the Union has maintained a very strong emphasis on its funding of social, cultural, sporting and recreational clubs. In turn, these clubs provide a myriad of activities on and off campus, foster a strong sense of community at the University and effectively deliver student engagement through their various networks.

After a review of its Constitution in 2008 the Board of Directors undertook a review of the Union's Strategic Charter in early 2009. This process consolidated the organisational priorities that are enunciated in the Union's Constitution. At the same time it focused upon the alignment of the Union's programs and activities with the University's Strategic Priorities. This emphasis was reflected in the Board's budgeting decisions outlined earlier and ensured a strong performance in the delivery of student life. This outcome is predicated on three main sources of income, being University funding, interest earnings and trading results. While the impact of the economic downturn has affected the Union's interest earnings it is very pleasing to note that our trading performance improved over 2008 in terms of sales and also net profit. These results reflect

the efforts of the Union's Departmental Managers who are recognised by the Board for their achievements of improved trading outcomes and the effective delivery of student life.

During 2009 the Union and the University embarked on a capital project of establishing a new Function Centre in Building 10. By year end construction work was well advanced and we look forward to a tremendous new facility on campus in 2010. The combined funding of this project by the University and the Union is another indicator of the strength of our relationship and its results, over time, will assist the Union in the provision of student activities and programs. The University and the Union also engaged KPMG to review the Licensed Club and Rowing operations at Haberfield. Arising from that review, Hassell Group architects have developed some very exciting design proposals for a refurbishment of the UTS Haberfield Club. This project is intended to cement the Union's substantial high performance successes in rowing as well as the continuation of long term engagement with the local community via a vastly improved social facility.

Twelve months ago the Federal Government announced its intention to introduce legislation to reverse the negative effects of voluntary student unionism. Throughout 2009 the Government has been unable to complete the passage of this legislation through the Senate, a position it has also faced with many other components of its legislative agenda. This unfortunate delay to the Government's legislation has meant that the Board of Directors has continued its strategies of caution regarding the Union's cash reserves, strengthening the relationship with the University and adherence to its Constitutional Charter. The Board has displayed admirable commitment to the balance between the different priorities and its sound governance has underpinned the Union's achievements. In particular, the strong leadership by the Board's Executive has provided a pro-active approach to the Union's many challenges. The Chair, Associate Professor Geoff Riordan, and Treasurer, Emeritus Professor Tony Moon, bring great experience and detailed understanding of the University to the Board's deliberations. At the same time, President Rebecca Trewick and Vice-President Felicity Evans, have been instrumental in the Union's ongoing emphasis upon student life.

I commend this Annual Report to the University community.

Tom O'Sullivan
CEO

Sport & Recreation Report

EASTERN UNIVERSITY GAMES

With an unprecedented number of competitors, the 2009 Eastern University Games, held in Bathurst, went down to the wire, with only 30 points, or approximately 2 gold medals separating the top 4 teams. In a magnificent week of sport, UTS finished 4th place overall, with two gold – Men's Basketball and Mixed Netball Team 1; one silver – Women's Tennis; and three bronze – Men's Tennis, Mixed Netball Team 2 and Women's Netball. Special mentions go to the Men's Basketball team, who won gold for the third year in a row, beating UNSW in each of those three years, and also the UTS Netball Club, who entered 4 teams and came back with 3 medals.

AUSTRALIAN UNIVERSITY GAMES

UTS sent a huge team of 340 athletes to the Gold Coast, and did extremely well during the tournament, coming 8th out of 41 universities and doubling the point score from the 2008 Games in what was a very tough competition. Best performance of the week went to the Division 1 Mixed Netball team, winning gold to make them back to back EUG and AUG champions. UTS also had 17 Green and Gold Merit squad awardees.

SNOW SPORTS

UTS sent a team of 25 down to Thredbo for the Australian University Championships in Snow Sports from 30 August – 4 September. Despite a number of injuries, the team performed extremely well, with the Women's team coming 5th, the Men's team coming 3rd, and UTS coming 3rd overall out of 20 universities.

CLUBS

UTS Norths Athletics

The UTS Athletics Club continues to smash individual and club records. In their 82nd year, with 283 active members, UTS Norths remain the only NSW Club to win the National Club Championship, with the open men's team winning this title for the 2nd year in a row. The Club also won the Athletics NSW Club Premiership for the 2nd time in 5 years and at the State Relay Championships UTS Norths took home 16 gold medals. On the International scene UTS Norths had 3 athletes compete at World Junior Championships and 2 athletes competing at World Masters Track and Field Championships. The amazing depth of talent at UTS Norths is perfectly complemented by the outstanding volunteer spirit within the club.

UTS Bats AFL

The UTS Bats AFL Club had an outstanding 2009 season. For the first time in the Club's history their three top teams qualified for the Grand Final. Unfortunately the Thirds and Reserve Grades went down, leaving the Men's First Grade to bring home the pennant against East Coast Eagles. The game was a total annihilation as the Bats recorded a 99 point victory, winning the pennant and remaining undefeated in the 2009 AFL Season!

Balmain Water Polo

In December 2009, the Union signed off on a two year agreement with Australia's oldest and most successful Water Polo Club, Balmain Water Polo. Since the 1948 London Olympics, Balmain Water Polo has produced over 21 Olympic Athletes. The Club's consistent success at the Elite Level is mirrored by their success in the National League, State League and Junior Leagues. Balmain Water Polo has amazing depth and talent, which is supported by their team of first class coaches and dedicated volunteers.

CITY 2 SURF

The UTS team of 400 students, staff, alumni, family and friends were among 70 000 participants flooding the streets of Sydney in the world's largest annual fun run on 9 August 2009. The team spirit was second to none and continued through the afternoon when all members of the teal and black team came together to celebrate their 14km accomplishment at the UTS marquee on Bondi Beach.

RECREATION

The 2009 Recreation Program engaged over 2000 members of the UTS community in a variety of Short Courses, Day Trips and Holiday Adventures. International students took to discovering the beautiful Blue Mountains, Hunter Valley and Port Stephens. Local students enjoyed learning new skills such as fencing, SCUBA and sailing and plenty of people tested their nerves canyoning and sky diving.

SPORTS SCHOLARSHIPS

In 2009, 83 UTS student athletes were supported through the Union's Sports Scholarship Program. Amongst those athletes were 16 World Championship Competitors and a further 22 athletes who represented Australia in various sporting pursuits.



HIGHLIGHTS

Kathleen Stroinovsky, Lucinda Whitty and Nina Curtis were members of the Australian Sailing Match Racing Team who won the World Championships in Sweden.

2009 Sportswoman of the Year, Joanne Brigden-Jones (Sprint Kayaking), won through to more finals than any other female athlete at the debut World Championships in Sprint Kayaking. Jo was also the first UTS athlete to win an NSWIS Award, taking out the Academic Excellence Award.

The 2009 Sportsman of the Year was Hayder Shkara (Taekwondo). Hayder fought through to the 3rd Round in the Men's feather weight division at the World Championships, a division that attracts competitors from 143 other countries. After leading the entire match, Hayder lost by one point to the 2008 Olympic bronze medallist.

2009 Full Blues Winners

Alizah Kendler	Golf
David Rodgers	Gymnastics
Joanne Brigden-Jones	Kayaking
Tom Tweedie	Motor Racing
Ashleigh Deen	Softball
Samantha Boyd	Sailing
Kathleen Stroinovsky	Sailing
Lucinda Whitty	Sailing
Nina Curtis	Sailing
Phil Maclarn	Snowboarding
Hayder Shkara	Taekwondo
Justin O'Donnell	Touch Football

2009 Half-Blues Winners

Fiona Alldis	Athletics
Hoang Tran Pham	Badminton
Stephen Goh	Badminton
Jo Sowiaczek	Fencing
Marie Louis	Handball
David Spence	Hockey

Daisuke Taira	Kendo
Laura Dunn	Rowing
Scott Woodward	Rowing
David Shutte	Rugby League
Ben Phillips	Rugby League
Hugh Tait	Sailing
Cameron Harrison	Ski
Rebecca Jenkins	Softball
Phi Khang Bui-Mai	Taekwondo
Christian Alonzo	Touch Football
Emma Hamilton Foster	Water Polo
Rachel Grindlay	Ultimate Frisbee

2009 Sportsman of the Year

Hayder Shkara	Taekwondo
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2009 Sportswoman of the Year

Joanne-Brigden Jones	Kayaking
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2009 UTS Union Service Award

Peter Russell	Impulse Yacht Captain
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2009 Sports Manager of the Year

Christain Alonzo	Touch
Avril Ryan	Snow Sports

2009 UTS Team of the Year

UTS Italian Relay Team	Fencing
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2009 Club of the Year

UTS Ski Club	Ski
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2009 Sports Recognition Award

Ellen Randell	UTS Rowing Club
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Events & Program Highlights

UNION EVENTS

In 2009, the Union continued with its two day orientation program which was initiated in 2008. The Clubs Day was held on Wednesday 18 February and O'Festival was held on the Alumni Green on Friday 20 February. A number of high profile DJs performed at the event and set the scene for upcoming student events that were to be held throughout the year.

The Union maintained its tradition of providing monthly BBQs and live entertainment for students on both the Concourse at Broadway, and in the cafeteria at Kuring-gai.

The Outdoor Cinema continued with two screenings in April and September. Students enjoyed free popcorn and fairy-floss, and will be sure to miss this great event in 2010 when the Alumni Green undergoes construction.

The Union continued to offer live music at the Loft on Wednesday, Thursday and Friday nights. Through street publication advertising we maintained a strong following from students and the surrounding community.

The Union ran several club competition events in 2009, including two Amazing Race events around campus and an inter-club Trivia night at the Markets Bar in September.

There was continual support to other UTS departments as the Union helped to organise and promote the Housing Residences Annual Dinner, MCU's Advisory and Information Days, and Infusion Week with SSU.

The 2009 Volunteer of the Year was awarded to Laurence Wainwright who worked extensively with Student Services Unit's Peer Network Program.

The 'Club of the Year Award' in 2009 was shared by two UTS Union social clubs, the Electronic Gamers' Guild, and the Malaysian Students' Association for their commitment and dedication towards providing successful events for their members and their ongoing support of the Union.

NEW CLUBS ON CAMPUS

A number of new clubs affiliated with the Union in 2009. These were:

- The Australian Chinese Student Club (ACSC)
- The Catholic Society of St Stephen
- The Financial and Project Management Association (FPMA)
- Golden Key International Honour Society





- The Hindu Society
- International Student Volunteers
- Lankans at UTS
- The Latino Society
- The Mediterranean Society
- Spiritual Seeker
- UTS Downunder

This shows an increase on 2008 figures, indicating an added interest in students looking to create new clubs, engage students and recognise the assistance they receive from the Union.

2009 Special Awards	
Generous and Ongoing support in 2009 – for outstanding photography services at UTS Union Events	Exposure
Most Advantage Program members in 2009	Engineering Society
Best new club of 2009 (shared between)	The Mediterranean Society Lankans at UTS
Best on-campus promotional campaign 2009	CREDO – for their 'Has God Failed?' Campaign
Best regular on-campus event throughout 2009	EGG – for Consoles on the Concourse
Best charity and awareness event	Australian Union of Jewish Students – for their S.A.R.A.H. campaign
Best Joint Club Event – for the Australian University Games Gee-Up Party (shared between)	HUTS UniBrew
Best on-campus event – for their Annual Concert	MuscUTS

2009 Activities Club Person of the Year	
AIIESEC	Paul Streller
Anime	Robert Shi
Australian Union of Jewish Students	Glen Falkenstein
BiG (IT)	Bryce Guderjahn
Chinese Students & Scholars Association	Jenny Miao
CREDO	David Gardner
EGG	Morgan Hastings
ENGSOC	Francesca Joesoep
Exposure	Shaza Iman Ridzwan
HUTS	Amelia Goudie
I Heart UTS	Syed Ali Shaheer
Insearch	Sean Marshall
JASS	Grace Ellis
Lankans at UTS	Nisansala Maddage
MASA	Edison Ooi
Mediterranean Society	Samineh Booyachi
Mission X	Ralf Behn
MTO Sufi Association	Saba Larijani
MuscUTS	Kenji Iwasaki
Progsoc	Margaret Colville
Salad Bowl	Lisa Hong
Unibrew	Patrick Johnson
UTS Down Under	Neil Dessman
UTS Wine Society	Tim Ralph
UTS Writers Society	Hannah Belnick

Directors'

Report For year ended 31 December 2009

The directors present their report together with the financial report of UTS Union Limited ('the Company') and of the consolidated entity, being the Company and its controlled entity, for the financial year ended 31 December 2009 and the auditor's report thereon.

1 Directors

The directors of the consolidated entity at any time during or since the end of the financial year are:

Associate Professor Geoffrey Riordan

BEd, MEdAdmin, PhD
Appointed 1 April 2008

Tom O'Sullivan

BA, LLB
Chief Executive Officer
Appointed 30 June 2004

Susan Kirk

BSc, GradDipOT
University Staff
Appointed 7 October 2006

Kamal Zreika

Student
Appointed 7 October 2007

James Parkhill

University Staff
Appointed 1 January 2004
Resigned 6 October 2009

Professor Anthony Moon

BSc Honours, PhD, FAIP
Professor Emeritus
Appointed 1 February 2006

Christopher Chase

Student
Appointed 7 October 2007
Resigned 6 October 2009

Rebecca Trewick

Student
Appointed 7 October 2007
Resigned 6 October 2009

Alex Rybak

Student
Appointed 7 October 2008

Andrew Ho

Student
Appointed 7 October 2008

Felicity Evans

Student
Appointed 7 October 2008

Sandya Natarajan

Student
Appointed 7 October 2008

William Paterson

BA(Hons), MEdAdmin
University Staff
Appointed 1 January 2009

Associate Professor Aron Murphy

BAppSci, BHumanMvtSci, PhD
University Staff
Appointed 7 October 2009

Darren Bark

Student
Appointed 7 October 2009

Laurence Wainwright

Student
Appointed 7 October 2009

2 Company secretary

Tom O'Sullivan was appointed to the position of Company Secretary in June 2004.

3 Directors' meetings

The number of directors' meetings (including meetings of committees of directors) attended by each of the directors and number of meetings of the Company during the financial year are:

BOARD MEETINGS		
Director	Number of meetings attended	Number of meetings held *
G. Riordan	11	12
J. Parkhill	6	9
T. O'Sullivan	12	12
A. Moon	10	12
W. Paterson	12	12
S. Kirk	10	12
C. Chase	7	9
R. Trewick	7	9
K. Zreika	10	12
A. Rybak	7	12
A. Ho	12	12
F. Evans	12	12
S. Natarajan	8	12
A. Murphy	3	3
D. Bark	2	3
L. Wainwright	3	3
F. Evans	3	3
S. Natarajan	3	3
R. Malcolm	6	6

* Number of meetings held during the time the director held office during the year.

4 Principal activities

The principal activities of the consolidated entity during the course of the financial year were the provision of various member services to students and staff at University of Technology, Sydney, New South Wales.

There were no significant changes in the nature of the activities of the consolidated entity during the year.

5 Operating and financial review

Overview of the consolidated entity and Company

The Company's loss after tax for the year amounted to \$378,832 (2008: \$35,161 profit). This resulted after charging \$293,383 (2008: \$325,173) for depreciation and \$nil (2008: \$nil) for income tax.

The consolidated entity's loss after tax for the year amounted to \$377,397 (2008: \$42,102 loss). This resulted after charging \$309,471 (2008: \$344,494) for depreciation and \$nil (2008: \$nil) for income tax.

Significant changes in the state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the consolidated entity that occurred during the financial year under review.

6 Membership

The Company is limited by guarantee and without a share capital. The Company has only one member, being University of Technology, Sydney.

7 Environmental regulation

The consolidated entity is subject to various environmental regulations under both Commonwealth and State legislation.

The Board believes that the consolidated entity has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the consolidated entity.

8 Dividends

The Company is a non-profit organisation and is prevented by its constitution from paying dividends.

9 Events subsequent to reporting date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

10 Likely developments

The directors do not anticipate any particular change in the operation of the Company that will affect the results in subsequent years.

11 Indemnification and insurance of officers

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses' insurance contract, as such disclosure is prohibited under the terms of the contract.

12 Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 12 and forms part of the directors' report for financial year ended 31 December 2009.

This report is made with a resolution of the directors:



G. Riordan

Dated at Sydney this 28th day of April 2010

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of UTS Union Limited

I declare that, to the best of my knowledge and belief, in relation to our audit for the financial year ended 31 December 2009, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG



Cameron Roan
Partner
Sydney
28 April 2010

Financial Report

UTS Union Limited and its Controlled Entity
For year ended 31 December 2009



Financial Statements

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2009

In AUD	Note	Consolidated		Company	
		2009	2008	2009	2008
Assets					
Cash and cash equivalents	4	13,231,341	13,290,934	12,889,429	12,956,103
Trade and other receivables	5	557,578	627,534	661,045	678,005
Inventories	6	842,661	722,754	821,479	701,324
Total current assets		14,631,580	14,641,222	14,371,953	14,335,432
Property, plant and equipment	7	2,135,779	2,255,685	2,089,785	2,228,123
Total non-current assets		2,135,779	2,255,685	2,089,785	2,228,123
Total assets		16,767,359	16,896,907	16,461,738	16,563,555
Liabilities					
Trade and other payables	8	1,023,262	850,825	932,975	730,619
Employee benefits	9	241,619	181,954	224,270	165,358
Total current liabilities		1,264,881	1,032,779	1,157,245	895,977
Employee benefits	9	34,298	18,551	34,298	18,551
Total non-current liabilities		34,298	18,551	34,298	18,551
Total liabilities		1,299,179	1,051,330	1,191,543	914,528
Net assets		15,468,180	15,845,577	15,270,195	15,649,027
Members' funds					
Retained earnings		15,468,180	15,845,577	15,270,195	15,649,027
Total members' funds		15,468,180	15,845,577	15,270,195	15,649,027

The notes on pages 18 to 30 are an integral part of these consolidated financial statements.

Financial Statements

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2009

In AUD	Note	Consolidated		Company	
		2009	2008	2009	2008
Revenue	10	11,150,832	10,584,763	10,366,766	9,803,088
Other income	11	9,317	6,506	9,317	6,506
Cost of goods sold	6	(3,363,517)	(3,259,496)	(3,159,888)	(3,045,767)
Board expenses		(57,124)	(50,199)	(57,124)	(50,199)
Personnel expenses	12	(4,671,276)	(4,482,426)	(4,381,515)	(4,207,106)
Cleaning expenses		(220,213)	(211,021)	(220,213)	(211,021)
Events and function expenses		(297,307)	(305,866)	(263,131)	(269,300)
Grant expenses		(1,317,238)	(1,168,464)	(1,357,238)	(1,168,464)
Insurance expenses		(35,164)	(32,164)	-	-
Poker machine expenses		(7,111)	(7,192)	-	-
Professional services expenses		(68,445)	(60,418)	(47,725)	(39,188)
Promotions and publications expenses		(204,298)	(238,125)	(204,298)	(238,125)
Property expenses		(444,396)	(393,096)	(358,170)	(287,470)
Rent and rates expenses		(202,997)	(199,351)	(136,600)	(135,198)
Repairs and maintenance expenses		(231,546)	(256,572)	(197,271)	(211,283)
Other expenses		(685,557)	(673,633)	(655,478)	(634,351)
Earnings before interest, income tax and depreciation		(646,040)	(746,754)	(662,568)	(687,878)
Depreciation	7	(309,471)	(344,494)	(293,383)	(325,173)
Results from operating activities		(955,511)	(1,091,248)	(955,951)	(1,013,051)
Interest income		578,114	1,049,146	577,119	1,048,212
(Loss)/profit before income tax		(377,397)	(42,102)	(378,832)	35,161
Income tax expense	13	-	-	-	-
(Loss)/profit for the year		(377,397)	(42,102)	(378,832)	35,161
Other comprehensive income		-	-	-	-
Total comprehensive (loss)/income for the year		(377,397)	(42,102)	(378,832)	35,161

The notes on pages 18 to 30 are an integral part of these consolidated financial statements.

Financial Statements

STATEMENTS OF CHANGES IN MEMBERS' FUNDS FOR THE YEAR ENDED 31 DECEMBER 2009

<i>In AUD</i>	Retained earnings	Total
Consolidated		
Balance at 1 January 2008	15,887,679	15,887,679
Total comprehensive income for the year		
Loss for the year	(42,102)	(42,102)
Other comprehensive income	-	-
Balance at 31 December 2008	15,845,577	15,845,577
Balance at 1 January 2009	15,845,577	15,845,577
Total comprehensive income for the year		
Loss for the year	(377,397)	(377,397)
Other comprehensive income	-	-
Balance at 31 December 2009	15,468,180	15,468,180
Company		
Balance at 1 January 2008	15,613,866	15,613,866
Total comprehensive income for the year		
Profit for the year	35,161	35,161
Other comprehensive income	-	-
Balance at 31 December 2008	15,649,027	15,649,027
Balance at 1 January 2009	15,649,027	15,649,027
Total comprehensive income for the year		
Loss for the year	(378,832)	(378,832)
Other comprehensive income	-	-
Balance at 31 December 2009	15,270,195	15,270,195

The notes on pages 18 to 30 are an integral part of these consolidated financial statements.

Financial Statements

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2009

In AUD	Note	Consolidated		Company	
		2009	2008	2009	2008
Cash flows from operating activities					
Cash receipts from customers		12,335,871	11,562,934	11,420,403	10,709,016
Cash paid to suppliers and employees		(12,793,330)	(12,649,998)	(11,918,468)	(11,764,878)
Cash generated from operations		(457,459)	(1,087,064)	(498,065)	(1,055,862)
Interest received		578,114	1,049,146	577,119	1,048,212
Net cash flows from/(used in) operating activities	18	120,655	(37,918)	79,054	(7,650)
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		44,484	67,000	44,317	67,000
Acquisition of property, plant and equipment	7	(224,732)	(776,431)	(190,045)	(773,467)
Net cash flows used in investing activities		(180,248)	(709,431)	(145,728)	(706,467)
Cash flows from financing activities					
Loans to related party		-	-	-	(62,997)
Repayment to related party		-	-	-	(111,104)
Net cash flows used in financing activities		-	-	-	(174,101)
Net decrease in cash and cash equivalents		(59,593)	(747,349)	(66,674)	(888,218)
Cash and cash equivalents at beginning of year		13,290,934	14,038,283	12,956,103	13,844,321
Cash and cash equivalents at end of year	4	13,231,341	13,290,934	12,889,429	12,956,103

The notes on pages 18 to 30 are an integral part of these consolidated financial statements.

Notes to Financial Statements

1 Reporting entity

UTS Union Limited (the "Company") is a company domiciled in Australia. The address of the Company's registered office is University of Technology, Level 6 Tower Building, 1 Broadway, Broadway NSW 2007. The consolidated financial statements of the Company as at and for the year ended 31 December 2009 comprise the Company and its controlled entity (together referred to as the "consolidated entity").

The principal activities of the consolidated entity during the course of the financial year were of the provision of various member services to students and staff at University of Technology, Sydney, New South Wales.

2 Basis of preparation

(a) Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ("AASBs") (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board ("AASB"), the Corporations Act 2001, the Registered Clubs Amendment Act and the Gaming Machines Tax Act 2001.

The financial statements were approved by the Board of Directors on 28 April 2010.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Company's functional currency and the functional currency of the majority of the consolidated entity.

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

(e) Changes in accounting policies

Since 1 January 2009, the Company has changed the accounting policy in relation to the preparation of financial statements (see note 3(k)).

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by the consolidated entity except as explained in note 2(e).

Certain comparative amounts have been reclassified to conform with the current year's presentation.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the consolidated entity. Control exists when the consolidated entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the consolidated entity.

(ii) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Financial instruments*Non-derivative financial instruments*

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses (see note 3(e)(i)).

A financial instrument is recognised if the consolidated entity becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the consolidated entity's contractual rights to the cash flows from the financial assets expire or if the consolidated entity transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the consolidated entity commits itself to purchase or sell the asset. Financial liabilities are derecognised if the consolidated entity's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents comprise cash balances and call deposits.

(c) Property, plant and equipment*(i) Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses (see note 3(e)(ii)).

Cost includes expenditures that are directly attributable to the acquisition of the asset.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the consolidated entity and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

- Plant and equipment 2 – 10 years
- Leasehold improvements 8 – 40 years

The residual value, the useful life and the depreciation method applied to an asset are reassessed at each reporting date.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

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

(e) Impairment*(i) Financial assets*

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in profit or loss.

(ii) Non-financial assets

The carrying amounts of the consolidated entity's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss 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 loss had been recognised.

(f) Employee benefits*(i) Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss when they are due.

(ii) Other long-term employee benefits

The consolidated entity's net obligation in respect of long-term employee benefits 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 benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid by the consolidated entity that has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(g) Revenue*(i) Goods sold*

Revenue from the sale of goods comprises revenue earned from the provision of beverage and other goods and is measured at the fair value of the consideration received or receivable, net of returns and allowances. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods.

(ii) Services

Revenue from gaming facilities together with other services to members and other patrons of the Company is recognised in profit or loss when the services are provided, being the gross takings received less payouts.

(iii) Other revenue

Other revenue comprises of rent and room hire, sponsorships and student program contributions.

(h) Interest income

Interest income on bank deposits is recognised as it accrues in profit and loss using the effective interest method.

(i) Income tax

The Company is exempt from income tax pursuant to section 50 - 5 of the Income Tax Assessment Act 1997 and has received endorsement as an income exempt charity pursuant to section 50 - B of the Income Tax Assessment Act.

The controlled entity of the Company is subject to the Income Tax Assessment Act 1997 (amended) which provides that under the concept of mutuality, clubs are only liable for income tax on income derived from non-members and from outside entities.

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss 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 substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is recognised only to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the

same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(j) 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 ATO is included as a current asset or liability in the statements 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 ATO are classified as operating cash flows.

(k) Presentation of financial statements

The consolidated entity applies revised AASB 101 Presentation of Financial Statements (2007), which became effective as of 1 January 2009. As a result, the Company presents in the statement of changes in members' funds all changes in members' funds, whereas all non-members' changes are presented in the statement of comprehensive income.

Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on profit or loss.

(l) New standards and interpretations not yet adopted

The following standards, amendments to standards and interpretations have been identified as those which may impact the entity in the period of initial application. They are available for early adoption at 31 December 2009, but have not been applied in preparing this financial report:

- AASB 124 Related Party Disclosures (revised December 2009), introduces changes to the related party disclosure requirements for government-related entities, and the definition of a related party. The amendments, which become mandatory for the consolidated entity's 31 December 2011 financial statements, are not expected to have a significant impact on the financial statements. The consolidated entity, has not yet determined the potential effect of the new standard.
- AASB 9 Financial Instruments, simplifies the mixed measurement model and establishes two primary measurement categories for financial assets; amortised cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. AASB 9, becomes mandatory for the consolidated entity's 31 December 2013 financial statements. The consolidated entity has not yet determined the potential effect of the new standard.
- AASB 2009-5 Further amendments to Australian Accounting Standards arising from the Annual Improvements Process affect various AASBs resulting in minor changes for presentation, disclosure, recognition and measurement purposes. The amendments, which become mandatory for the consolidated entity's 31 December 2010 financial statements, are not expected to have a significant impact on the financial statements.

4 Cash and cash equivalents

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Bank balances	13,199,159	13,245,225	12,874,107	12,927,073
Cash on hand	32,182	45,709	15,322	29,030
Cash and cash equivalents in the statements of cash flows	13,231,341	13,290,934	12,889,429	12,956,103

The consolidated entity's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities is disclosed in note 14.

5 Trade and other receivables

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Trade receivables	557,578	627,534	517,142	615,008
Receivable from related party	-	-	143,903	62,997
	557,578	627,534	661,045	678,005

The consolidated entity's exposure to credit and currency risks and impairment losses related to trade and other receivables is disclosed in note 14.

6 Inventories

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Finished goods at cost	842,661	722,754	821,479	701,324
The cost of inventories recognised in cost of goods sold	3,363,517	3,259,496	3,159,888	3,045,767

7 Property, plant and equipment

Consolidated					
In AUD	Plant and equipment	Under construction	Artworks	Spare category 4	Total
Cost					
Balance at 1 January 2008	3,453,074	1,648,503	2,876	98,128	5,202,581
Additions	516,077	260,354	-	-	776,431
Disposals	-	(118,624)	-	-	(118,624)
Adjustments	-	41,616	-	-	41,616
Balance at 31 December 2008	3,969,151	1,831,849	2,876	98,128	5,902,004
Balance at 1 January 2009	3,969,151	1,831,849	2,876	98,128	5,902,004
Additions	-	224,732	-	-	224,732
Disposals	-	(165,418)	-	-	(165,418)
Transfers	2,876	-	(2,876)	-	-
Balance at 31 December 2009	3,972,027	1,891,163	-	98,128	5,961,318
Depreciation and impairment					
Balance at 1 January 2008	2,128,008	1,190,331	-	-	3,318,339
Depreciation for the year	128,266	216,228	-	-	344,494
Disposals	-	(58,130)	-	-	(58,130)
Adjustments	-	41,616	-	-	41,616
Balance at 31 December 2008	2,256,274	1,390,045	-	-	3,646,319
Balance at 1 January 2009	2,256,274	1,390,045	-	-	3,646,319
Depreciation for the year	146,752	162,719	-	-	309,471
Disposals	-	(130,251)	-	-	(130,251)
Balance at 31 December 2009	2,403,026	1,422,513	-	-	3,825,539
Carrying amounts					
At 1 January 2008	1,325,066	458,172	2,876	98,128	1,884,242
At 31 December 2008	1,712,877	441,804	2,876	98,128	2,255,685
At 1 January 2009	1,712,877	441,804	2,876	98,128	2,255,685
At 31 December 2009	1,569,001	468,650	-	98,128	2,135,779

Company					
<i>In AUD</i>	Plant and equipment	Under construction	Artworks	Spare category 4	Total
Cost					
Balance at 1 January 2008	3,453,074	1,406,641	2,876	98,128	4,960,719
Additions	516,077	257,390	-	-	773,467
Disposals	-	(118,624)	-	-	(118,624)
Balance at 31 December 2008	3,969,151	1,545,407	2,876	98,128	5,615,562
Balance at 1 January 2009	3,969,151	1,545,407	2,876	98,128	5,615,562
Additions	-	190,045	-	-	190,045
Disposals	-	(163,148)	-	-	(163,148)
Transfers	2,876	-	(2,876)	-	-
Balance at 31 December 2009	3,972,027	1,572,304	-	98,128	5,642,459
Depreciation					
Balance at 1 January 2008	2,128,008	992,388	-	-	3,120,396
Depreciation for the year	128,266	196,907	-	-	325,173
Disposals	-	(58,130)	-	-	(58,130)
Balance at 31 December 2008	2,256,274	1,131,165	-	-	3,387,439
Balance at 1 January 2009	2,256,274	1,131,165	-	-	3,387,439
Depreciation for the year	146,752	146,631	-	-	293,383
Disposals	-	(128,148)	-	-	(128,148)
Balance at 31 December 2009	2,403,026	1,149,648	-	-	3,552,674
Carrying amounts					
At 1 January 2008	1,325,066	414,253	2,876	98,128	1,840,323
At 31 December 2008	1,712,877	414,242	2,876	98,128	2,228,123
At 1 January 2009	1,712,877	414,242	2,876	98,128	2,228,123
At 31 December 2009	1,569,001	422,656	-	98,128	2,089,785

8 Trade and other payables

<i>In AUD</i>	Consolidated		Company	
	2009	2008	2009	2008
Current				
Trade payables and accrued expenses	1,014,298	841,007	932,975	730,619
Revenue received in advance	8,964	9,818	-	-
	1,023,262	850,825	932,975	730,619

The consolidated entity's and Company's exposure to liquidity risk related to trade and other payables is disclosed in note 14.

9 Employee benefits

<i>In AUD</i>	Consolidated		Company	
	2009	2008	2009	2008
Current				
Liability for annual leave	182,234	129,470	164,885	112,874
Liability for long service leave	59,385	52,484	59,385	52,484
	241,619	181,954	224,270	165,358
Non-current				
Liability for long-service leave	34,298	18,551	34,298	18,551

10 Revenue

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Revenue from sale of goods	7,184,710	6,928,671	6,622,818	6,377,789
Member fees	229,489	467,361	229,489	225,447
Revenue from rendering of services	1,173,803	886,987	942,572	886,987
Fees - university contribution	1,512,214	1,456,174	1,512,214	1,456,174
Other revenue	1,050,616	845,570	1,059,673	856,691
	11,150,832	10,584,763	10,366,766	9,803,088

11 Other income

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Net gain on disposal of property, plant and equipment	9,317	6,506	9,317	6,506

12 Personnel expenses

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Wages and salaries	4,057,132	3,928,460	3,816,025	3,694,472
Other associated personnel expenses	217,772	351,831	191,853	334,801
"Contributions to defined contribution superannuation funds"	197,476	194,067	175,494	172,894
Movement in liability for annual leave	174,855	5,251	174,102	2,122
Movement in liability for long-service leave	24,041	2,817	24,041	2,817
	4,671,276	4,482,426	4,381,515	4,207,106

13 Income tax expense

Numerical reconciliation between tax expense and pre-tax accounting profit

The Company is exempt from income tax pursuant to section 50 - 5 of the Income Tax Assessment Act 1997 and has received endorsement as an income exempt charity pursuant to section 50 - B of the Income Tax Assessment Act.

The Income Tax Assessment Act 1997 (amended) provides that under the concept of mutuality, clubs are only liable for income tax on income derived from non-members and from outside entities.

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Proportion of net taxable income attributable to non-members	565,551	538,713	-	-
Less: Proportion of expenses attributable to non-members	(606,640)	(638,592)	-	-
	(41,089)	(99,879)	-	-
	241,619	181,954	224,270	165,358
Add: Other taxable income	76,573	72,725	-	-
Less: Other deductible expenses	(25,036)	(23,642)	-	-
Net income subject to tax	10,448	(50,796)	-	-
Income tax benefit/(expense) using the statutory income tax rate of 30% (2008: 30%)	3,134	(15,239)	-	-
Tax losses for which no deferred tax asset was recognised	-	15,239	-	-
Unrecognised tax losses utilised	(3,134)	-	-	-
	-	-	-	-

Estimated deferred tax assets have not been recognised in respect of the following items:

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Unrecognised deferred tax assets				
Deductible temporary differences	5,205	4,979	-	-
Tax losses	56,764	59,899	-	-
	61,969	64,878	-	-

The deductible temporary differences and tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the entity can utilise the benefits from.

14 Financial risk management and financial instruments

Overview

The Company and consolidated entity have exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's and consolidated entity's and consolidated entity's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

The Directors have overall responsibility for the establishment and oversight of the risk management framework and is also responsible for developing and monitoring risk management policies.

Risk management policies are established to identify and analyse the risks faced by the Company and consolidated entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's and consolidated entity's activities. The Company and consolidated entity, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversee how management monitors compliance with the Company's and consolidated entity's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company and consolidated entity.

(a) Credit risk

Credit risk is the risk of financial loss to the Company and consolidated entity if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's and consolidated entity's trade and other receivables.

Exposure to credit risk

The carrying amount of the consolidated entity's and Company's financial assets represents the maximum credit exposure. The consolidated entity's and Company's maximum exposure to credit risk at the reporting date was:

In AUD	Note	Consolidated		Company	
		2009	2008	2009	2008
Trade and other receivables	5	557,578	627,534	661,045	678,005
Cash and cash equivalents	4	13,231,341	13,290,934	12,889,429	12,956,103
		13,788,919	13,918,468	13,550,474	13,634,108

At the balance sheet date there were no significant concentrations of credit risk by geographic region or by customer.

Impairment losses

Based on nil historic default rates and management assessment as at 31 December 2009, the Company believes that no impairment allowance is necessary in respect of trade receivables.

14 Financial risk management and financial instruments *continued*

The aging of the consolidated entity's and Company's trade receivables at the reporting date was:

<i>In AUD</i>	Note	Gross 2009	Impairment 2009	Gross 2008	Impairment 2008
Consolidated					
Not past due	5	557,578	-	627,534	-
Company					
Not past due	5	661,045	-	678,005	-

(b) Liquidity risk

Liquidity risk is the risk that the Company and consolidated entity will not be able to meet its financial obligations as they fall due. The Company's and consolidated entity's approach to managing liquidity are to ensure, as far as possible, that they will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's and consolidated entity's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

Consolidated					
<i>In AUD</i>	Carrying amount	Contractual cash flows	Less than one year	1-2 years	2-5 years
Non-derivative financial liabilities					
31 December 2009					
Trade and other payables	(1,023,262)	(1,023,262)	(1,023,262)	-	-
31 December 2008					
Trade and other payables	(850,825)	(850,825)	(850,825)	-	-
Company					
<i>In AUD</i>	Carrying amount	Contractual cash flows	Less than one year	1-2 years	2-5 years
Non-derivative financial liabilities					
31 December 2009					
Trade and other payables	(932,975)	(932,975)	(932,975)	-	-
31 December 2008					
Trade and other payables	(730,619)	(730,619)	(730,619)	-	-

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates will affect the Company's and consolidated entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Company's and consolidated entity's financial assets are subject to interest rate risk. The Company and consolidated entity do not use derivatives to minimise this risk and this will fluctuate in accordance with movements in the market interest rates. At the reporting date the interest rate profile of the Company's and consolidated entity's interest-bearing financial instruments were:

<i>In AUD</i>	Consolidated		Company	
	Carrying amount		Carrying amount	
<i>Variable rate instruments</i>	2009	2008	2009	2008
Cash and cash equivalents	13,231,341	13,290,934	12,889,429	12,956,103

Fair value sensitivity analysis for fixed rate instruments

The Company and consolidated entity do not hold for any fixed rate financial assets and liabilities.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2008.

Consolidated <i>Effect In AUD</i>	Profit or loss		Members' funds	
	100 bps Increase	100 bps Decrease	100 bps Increase	100 bps Decrease
31 December 2009				
Variable rate instruments	132,313	(132,313)	-	-
Cash flow sensitivity (net)	132,313	(132,313)	-	-
31 December 2008				
Variable rate instruments	132,909	(132,909)	-	-
Cash flow sensitivity (net)	132,909	(132,909)	-	-
Company <i>Effect In AUD</i>	Profit or loss		Members' funds	
	100 bps Increase	100 bps Decrease	100 bps Increase	100 bps Decrease
31 December 2009				
Variable rate instruments	128,894	(128,894)	-	-
Cash flow sensitivity (net)	128,894	(128,894)	-	-
31 December 2008				
Variable rate instruments	129,561	(129,561)	-	-
Cash flow sensitivity (net)	129,561	(129,561)	-	-

Currency risk

The Company and consolidated entity were not exposed to any foreign currency risk at balance date as all payables and receivables were denominated in Australian Dollars.

Fair values

As at the balance sheet date, the carrying value of financial assets and liabilities as at the end of the financial period are considered to approximate their fair value as they are short-term in nature.

15 Operating leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

<i>In AUD</i>	Consolidated		Company	
	2009	2008	2009	2008
Less than one year	36,116	36,116	-	-
Between one and five years	54,174	90,290	-	-
	90,290	126,406	-	-

The consolidated entity leases land and building under non-cancellable operating leases expiring from 1 - 2 years. Leases generally provide the Company with a right to renewal at which time all terms are negotiated. Lease payments comprise a base amount plus an incremental contingent rental. Contingent rentals are based on either movements in the Consumer Price Index or operating criteria.

16 Capital and other commitments

<i>In AUD</i>	Consolidated		Company	
	2009	2008	2009	2008
Capital expenditure commitments				
Plant and equipment				
Contracted but not provided for and payable				
Within one year	1,700,000	-	1,700,000	-
One year or later and no later than five years	2,300,000	-	2,300,000	-
	4,000,000	-	4,000,000	-

17 Contingencies

Contingent liabilities considered remote

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Bank guarantees	20,000	20,000	20,000	20,000

18 Reconciliation of cash flows from operating activities

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Cash flows from operating activities				
(Loss)/profit for the year	(377,397)	(42,102)	(378,832)	35,161
Adjustments for:				
Depreciation	309,471	344,494	293,383	325,173
Gain on sale of property, plant and equipment	(9,317)	(6,506)	(9,317)	(6,506)
Operating profit before changes in working capital and provisions	(77,243)	295,886	(94,766)	353,828
Change in trade and other receivables	69,956	(80,305)	16,960	(74,381)
Change in inventories	(119,907)	(43,304)	(120,155)	(41,930)
Change in trade and other payables	172,437	(240,352)	202,356	(272,195)
Change in employee benefits	75,412	30,157	74,659	27,028
Net cash from/(used in) operating activities	120,655	(37,918)	79,054	(7,650)

19 Related parties

(a) Key management personnel

The following were key management personnel of the Company at any time during the reporting period, and unless otherwise indicated were key management personnel for the entire period:

Non-executive directors

Associate Professor Geoffrey Riordan

Susan Kirk

Kamal Zreika

James Parkhill Resigned 6 October 2009

Professor Anthony Moon

Christopher Chase Resigned 6 October 2009

Rebecca Trewick Resigned 6 October 2009

Alex Rybak

Andrew Ho

Felicity Evans

Sandya Natarajan

William Paterson Appointed 1 January 2009

Associate Professor Aron Murphy Appointed 7 October 2009

Darren Bark Appointed 7 October 2009

Laurence Wainwright Appointed 7 October 2009

Executives

Tom O'Sullivan (UTS Union Limited, Chief Executive Officer)

Transactions with key management personnel

The compensation received by non-executive key management personnel included in other expenses is as follows:

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Director honoraria	7,500	7,500	7,500	7,500

The compensation received by executive key management personnel included in the personnel expenses is as follows:

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Short-term employee benefits	182,966	167,763	174,587	159,588

From time to time, directors of the Company, or their director-related entities, may purchase goods from the company. These purchases are on the same terms and conditions as those entered into by other Company employees or customers and are trivial or domestic in nature.

Apart from the details disclosed in this note, no director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving director's interests existing at year-end.

(b) Non-key management personnel

Identity of related parties

The Company has a related party relationship with:

- University of Technology, Sydney (entity that exerts significant influence)
- UTS Haberfield Club Limited (controlled entity)

Related parties transactions

Throughout the year, revenue is derived from and expenses incurred from University of Technology Sydney. These transactions are on the same terms and conditions as those entered into by any other entity or individual.

Aggregate amounts brought to account from transactions with University of Technology Sydney are:

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Staff fees contribution revenue	82,414	82,231	82,414	82,231
Functions revenue	1,056,642	970,242	1,056,642	970,242
Donation revenue	1,429,800	1,373,840	1,429,800	1,373,840
Rental expense	136,600	135,198	136,600	135,198

Balances with related parties

Aggregate amounts receivable from or payable to, each class of related party at balance sheet date:

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Current receivables				
Entity that exerts significant influence	200,786	173,243	200,786	173,243
Controlled entity	-	-	143,903	62,997
Current payables				
Entity that exerts significant influence	434,254	239,884	434,254	239,884

19 Related parties continued

Transactions with related parties

Aggregate amounts brought to account from transactions with the controlled entity are:

In AUD	Company	
	2009	2008
Service fees paid and borne by University of Technology, Sydney	70,000	-
Grants from University of Technology, Sydney	1,512,214	1,456,174
Grants and donations to UTS Haberfield Club Limited	(40,000)	-
Management fee income from UTS Haberfield Club Limited	50,000	50,000

20 Company details

The company is incorporated and domiciled in Australia as a company limited by guarantee. In accordance with the Constitution of the Company, every member of the Company undertakes to contribute an amount limited to \$5 per member in the event of the winding up of the Company during the time that he is a member or within one year thereafter.

21 Subsequent events

There have been no events subsequent to balance date which would have a material effect on the Group's financial statements at 31 December 2009.

22 Auditors' remuneration

In AUD	Consolidated		Company	
	2009	2008	2009	2008
Audit services				
Auditors of the Company				
KPMG Australia:				
Audit and review of financial reports	53,600	49,900	35,000	33,500
Other services				
Auditors of the Company				
KPMG Australia				
Advisory services	76,000	-	76,000	-
Taxation services	2,900	2,900	-	-
	78,900	2,900	76,000	-

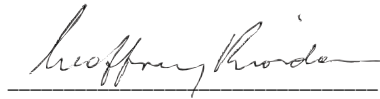
UTS Union Limited Directors' declaration

In the opinion of the directors of UTS Union Limited (the "Company"):

- (a) the financial statements and notes that are set out on pages 13 to 30, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Company's and the consolidated entity's financial position as at 31 December 2009 and of their performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.



G. Riordan

Dated at Sydney this 28th day of April 2010.

Report on the financial report

We have audited the accompanying financial report of UTS Union Limited (the 'Company'), which comprises the statements of financial position as at 31 December 2009, and the statements of comprehensive income, statements of changes in members' funds and statements of cash flows for the year ended on that date, significant accounting policies and other explanatory notes and the directors' declaration set out on pages 13 to 31 of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity'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 report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the Corporations Act 2001 and Australian Accounting Standards (including the Australian Accounting Interpretations), a view which is consistent with our understanding of the Company's and consolidated entity's financial position and of their performance.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

- (a) the financial report of UTS Union Limited is in accordance with the Corporations Act 2001, including:
- (i) giving a true and fair view of the Company's and consolidated entity's financial position as at 31 December 2009 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

KPMG



Cameron Roan

Partner

Sydney

28 April 2010

