

2022

Annual Report



UOW
PULSE

ABN 28 915 832 337

ACN 081 114 089



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DIRECTORS' REPORT

2022 was another unpredictable and challenging year as we started the journey into COVID-19 post-pandemic. The first half of 2022 was much quieter than expected, with a slower return of staff and students in Semester 1, however Semester 2 saw a change with more students and staff on-campus. UOW Pulse continued to adapt to the changing environments, striving to provide the highest level of student engagement to UOW students as possible. Our core functions of Sports & Recreation, Retail, Food & Beverage, Children's Services, Events & Catering and Student Clubs and Social Activities continued to operate.

STUDENT ENGAGEMENT

The Company's mission is to complement the University of Wollongong's ("UOW") academic activities through products and services including Student Engagement, Food & Beverage, Retail, Sports & Fitness, Catering & Events and Children's Services to enhance the social, cultural, sporting, health and recreation experiences of the University community. The primary purpose is to enrich our students' experience on campus. To support this purpose, financial returns generated from trading units and the Pulse Membership program are directed into funding UOW Pulse's Student Engagement program. The program is designed to build a sense of community on campus while encouraging and facilitating engagement between students, staff and the wider Wollongong community. Our program benefits include improved academic attainment, better retention rates, higher student satisfaction and the cultivation of a positive community.

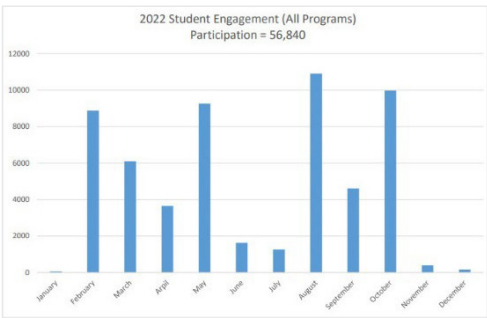
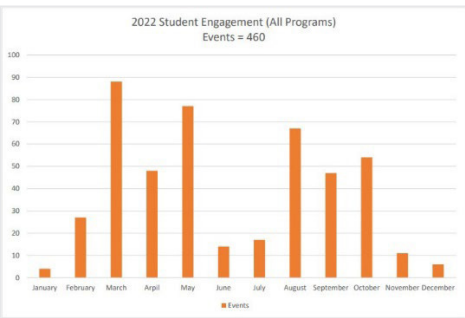
Similar to previous years, the 2022 program was significantly impacted in Semester 1 by the COVID-19 pandemic due to the lack of students on campus, however Semester 2 was a return of more students.

Despite these challenges in 2022 UOW Pulse focused on creating better experiences and broadening opportunities for students, whilst re-introducing students to an in-person experience of student engagement on campus.

PULSE CAMPUS ENGAGEMENT

Campus engagement is the collective result of all the programs, activities and events facilitated by the UOW Pulse Student Engagement team. With a remit to enhance the student experience, the following results details the combined total achieved:

- 460 events across all programs (-5.7% compared to 2021)
- 56,840 attendees recorded at Pulse student engagement events (+21.7% compared to 2021)



UNICLUBS

UniClubs purpose is to provide an all-inclusive program form UOW students to be involved in different facets of university life. The program exists to allow students and the wider community to become involved with a core group of people that share similar interests, allowing them to build their social and professional networks while offering the opportunity to participate in a diverse range of activities and events. UOW Pulse's UniClubs team manages the affiliation of Clubs & Societies, provides administrative and financial support, executive training and serves as a source of expertise provided to assist in the running of their activities and affairs.

UniClubs is grouped into Non-Faculty Clubs & Societies and Faculty Clubs and can be broken down further into the following categories:

- Academic Clubs
- Community Service Clubs
- Cultural Clubs
- Professional Development
- Political Clubs
- Spiritual Clubs
- Sport and Recreation Clubs
- Special Interest Clubs

In 2022, UniClubs had a strong start with the launch of Campus Fest (previously O-Week) in late February, closely followed by Clubs Day in early March, providing the opportunity to sign up new members. Following the previous years of COVID, the UniClubs program introduced 'Clubs & Societies Drop In Sessions', which were held twice a Semester providing an opportunity for dedicated one-to-one time with the Clubs Coordinator to ask questions and seek clarification on anything related to the program.

- 124 affiliated Clubs (+ 3% compared to 2021)
- 15 of those are newly affiliated clubs (-50% compared to 2021)
- 36,678 individual club memberships (+0.05% compared to 2021)
- 2,008 attendees at 34 UniClub Events (-35% attendance compared to 2021) (+62% UniClubs Events compared to 2021)

COMPETITIVE SPORTS CLUBS

UOW Pulse UniClubs provided both financial and administrative support to five competitive sporting clubs. These competitive clubs are UOW Hockey, UOW Rugby, UOW AFL, UOW Football and the UOW Cricket Club.

FACULTY AND NON-FACULTY CLUBS

2022 saw 85 Non-Faculty Clubs (+16% compared to 2021) and Societies and 39 Faculty Clubs (-17% compared to 2021) successfully affiliated with UniClubs. With lockdown restrictions pausing all clubs in mid to late 2021, many large events such as end of year balls and academic conferences for the first time in two years.

2022 ACHIEVEMENTS

- UOW Debating Society attended the World University Debating Championships (WUDC) IN Madrid, Spain.
- UOW Pakistani Students Association raised over \$100,000 for their flood relief appeal event.
- UOW Community Gardening Club continued supporting Pulse Pantry through the provision of fresh produce.
- UOW Motorsports received a Bluescope Win Community Partnership Sponsorship and placed 2nd at the Australasian Formula Car Race (Formula SAE-A)
- UOW Mining Society attended the MineSoc Games in Perth, WA.

VOLUNTEERING

The UOW Pulse Volunteering program exists to provide a platform for UOW students to become involved in campus events, meet new people and boost employability through personal and professional development opportunities. Students can engage in a variety of workshops and activities relevant to their personal interests and their academic degree to enhance their co-curricular experience as a student.

Students can engage with Pulse Volunteering through the following areas of interest:

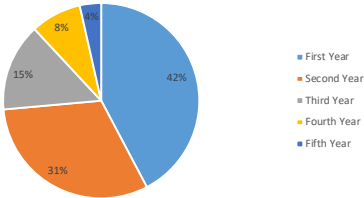
- Feature and Regular Events support
- Environmental & Sustainability initiatives
- Health and Wellness activities
- Student Support initiatives
- Community Engagement projects
- Digital Content Creation
- Sightseeing Tour hosting

In 2022, there were 175 domestic students and 279 international students registered for the Volunteering program. Of the registered volunteers, 149 were post-graduate students.

2022 ACHIEVEMENTS

- 453 registered volunteers (+25% compared to 2021)
- 5,043 hours volunteered (+75% compared to 2021)
- 267 active volunteers (+62% compared to 2021)

Volunteers by Year of Study 2022



PULSE PANTRY

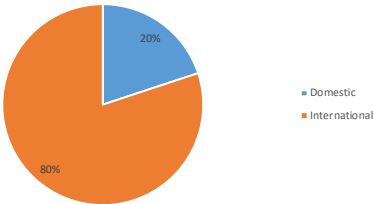
Pulse Pantry launched in 2021 after an overwhelming response to the pantry packs distributed by UOW Pulse in 2020 during the pandemic. Pulse Pantry was established to:

- Assist students facing hardship
- Provide a last-minute meal to students
- Continue supporting international students
- Help support students wellbeing through reducing financial stress related to food

Pulse Pantry works on a points-based system, where UOW students receive 10 points weekly which can be used to claim items. Operations of the initiative are supported by Pulse staff and volunteers, with items for the Pantry being provided by suppliers, IGA, Aspire Kitchen and UOW Community Garden.

In 2022, Pulse Pantry received an award of distinction for Most Successful Wellbeing and Support Program at the Student Experience Network Gala Awards.

Total Points Claimed by Demographic 2022



WELLNESS

In 2022, the Wellness by Pulse program funded through SSAF was able to design and implement a program to help foster the health and happiness of students at UOW. The Wellness program aims at nurturing the mind, body and spirit of students through a range of workshops and regular events. The program continued to be delivered in a hybrid style with both face-to-face and online sessions, facilitating engagement with UOW on-shore and off-shore students, however 2022 did see the program return to its roots with all regular activations and major events returning to in person.

Wellness 2022 successfully completed 144 in person events/ regular activations, 12 online workshops and sent out 26 Wellness EDMs totalling 182 activities. A total of 25,146 students engaged in the Wellness program and 22,059 participants engaged with the Wellness EDM for 2022, this brings the total active engagement for Wellness to approximately 46,000 which has more than doubled compared to 2021.

2022 ACHIEVEMENTS

- Inclusion of IDAHOBIT Day and Mental Health First Aid Training within the program.
- Over \$2,000 and 500 people from UOW and the wider Wollongong Community took part in Australia's Biggest Morning Tea event raising awareness for cancer research.
- Fit + Well Fest was re-introduced as a face-to-face event after 2 years, with over 1,500 people participating in the weeklong event.

ENTERTAINMENT

The Entertainment and Events portfolio in 2022 continued to change dramatically due to the COVID-19 landscape, and extensive wet weather. The portfolio saw a total of 23,851 attendees, which was a 40% increase on 2021.

2022 PROGRAM

- Orientation: Campus Fest (Autumn) across 3 days plus specialty events including Pool Party, O-Trivia, O-Comedy, Dragatondra and O Party. O-Fest (Spring) across one day.
- Regular Events: Lunch on the Lawn, Market Alley, Trivia, Drag Queen Bingo, Table Tennis Competition
- Themed Events: Live Art Week, Moonlit Markets, Breakfast After Dark, Bev's and Brushes, Campus Foodie-Tours, Retro Night, Oktoberfest, The Jam student talent-night
- Culturally –focused celebrations: Lunar New Year, Holi Festival, End of Ramadan, International Week, Diwali, Mid-Autumn Festival
- Regional-Metro initiatives: lunch events, networking opportunities, online workshops, social evenings, sightseeing trips and hikes around Sydney, Wollongong and Jervis Bay.

2022 HIGHLIGHTS

- Campus Fest (Autumn Orientation): working closely with multiple stakeholders across UOW to deliver a large-scale, cross-institutional event to welcome the campus community back following two-years of restrictions
- Cultural Events- continuing to build on the offering of cultural celebrations on campus, to embrace our diverse community and give a sense of acceptance and belonging.
- Strong participation from UniClubs and volunteers at key activities such as Orientation events, Live Art Week and International Week
- Regularly strong attendance at Market Alley and Trivia, and an increasing attendance at Drag Bingo across the year

SYDNEY BUSINESS SCHOOL & INNOVATION CAMPUS

The UOW Pulse Student Engagement program encompasses all on-shore campuses, including: Sydney Business School (CBD) and Innovation Campus (IC). South West Sydney (SWS) campus was not included in the Pulse portfolio for 2022, as this was managed by the Campus Management team. Having been introduced during periods of lockdowns, the provision of Bevs & Brushes as an online initiative continued for these campuses.

PHYSICAL EVENTS

- Innovation Campus: Social Lunch x2, Coffee & Chats, Soccer & Snags, Lunar New Year, Blue Mountains Tour, Blue Mile Walk, Table Tennis Comp, Movie Night, Putt Putt, Stress Less Day, International Week (day), Diwali, End of Year Social. Total attendance: 490 (+50% compared to 2021)
- CBD Campus: Lunar New Year, Social Lunch x2, Bowling, Table Tennis Comp, Holi Festival, Breaky Bar, Stress Less Day, Wollongong daytrip, Blue Mountains Tour, Mooncake Festival, Taronga Zoo Trip, Diwali, End of Year Social. Total attendance: 129 (+11% compared to 2021)

BOARD OF DIRECTORS



James Pearson

Chair of UOW Pulse Ltd. Board (Non-Executive Director)
Since June 2018

James is an experienced business and financial executive with a background in external advisory, commercial leadership and all financial management functions. James joined IRT in 2014 after previously working for Medibank, ahm, KPMG, PFK Chartered Accountants and Fisher Corporate in the United Kingdom. His roles have revolved around learning and driving sustainable value through financial and operational excellence practices. He has achieved this through leading a skilled team that partners with and fosters collaboration.

James is currently the Executive General Manager – Finance at IRT, one of Australia's leading senior's lifestyle and care providers. He is accountable for all aspects of Finance, Procurement, Payroll and Commercial Finance initiatives. James' professional qualifications include a Bachelor of Business (majoring in Accounting and Finance) from the University of Technology, Sydney and is a member of the Institute of Chartered Accountants Australia & New Zealand.



Christine O'Toole

Deputy Chair of UOW Pulse Ltd. Board (Non-Executive Director)
Since August 2019

Christine has extensive experience in the steel manufacturing industry, having held management roles in sales, marketing, procurement, and business improvement functions. Christine has also led significant projects throughout the BlueScope Steel's Australian business divisions. In late 2021, Christine retired from here full-time employment with BlueScope Australia.

Christine was a Board member of WEA Illawarra for 8 years and served on their Audit and Risk Committee. Christine holds a Bachelor of Arts (majoring in Marketing and Administration) from the University of Strathclyde, Glasgow and an MBA from the University of Wollongong.



Shiva Gopalan

Chair of UOW Pulse Ltd. Audit, Risk Management and Compliance Committee (Non-Executive Director)

Since August 2018

Shiva has 15 years' experience in the healthcare setting and in 2017 was recognised for his work with Warrigal as a finalist for the Illawarra Business Chamber Young Executive of the Year. In this time with Warrigal he has acted in both Executive and General Management roles, priding himself in his ability to lead teams and achieve positive outcomes. Shiva is currently the Wellness and Lifestyle Manager at Warrigal looking after physiotherapy services and lifestyle services for older people. As a Physiotherapist, Shiva currently sits as the Chairperson of the NSW Australian Physiotherapy Association Gerontology Board, and holds a seat on the National Gerontology Board.

In 2008 he became the Co-Founder of a charitable trust called Savy, which was founded with the premise of supporting the youth of New Zealand to develop strong financial habits. He has consulted for Mport, a 3D body scanning technology start up, as well as supported UOW with a number of research opportunities, student supervision and contributed to a number of published papers. Shiva has recently been supporting Dale Carnegie Australia, an international renowned soft skills training organisation by acting as their Illawarra Area Manager. Since 2018 Shiva has a number of local (Illawarra) and National Board level roles with Junior Chamber International Treasurer (Illawarra), National Director of Member Training and Development, National Director of International Relations and National Director of Community and Member Engagement.

Shiva is an outside of the box thinker who is passionate about supporting and empowering people to achieve positive outcomes for themselves and their businesses.



Shaun Minogue

Non-Executive Director

Since February 2022

Shaun is an experienced business leader and former owner of BMS, a successful Technology Consulting firm based in Wollongong, Australia. With over 35 years of experience in the industry, Shaun has built a reputation as a skilled strategist and effective leader.

Shaun joined the ownership group of BMS in 1989, and over the years, he grew the company into a thriving business with a reputation for excellence. Under his leadership, BMS worked with a range of clients across various industries, providing strategic consulting services that helped them achieve their business goals.

Shaun's success as a business owner can be attributed to his deep understanding of the industry and his ability to develop effective growth strategies. He is known for his innovative thinking and his ability to develop leaders within his team.

After many years at the helm of BMS, Shaun made the decision to sell the company and pursue new opportunities. Today, he remains an active member of the business community, starting his latest venture, RockLife, in early 2023. He is often sought out for his insights and expertise and is passionate about mentoring young entrepreneurs and helping them achieve their goals.



Jackson Cocks

Executive Director
Since February 2022

Jackson is a student at the University of Wollongong studying a Bachelor of Laws (Honours) – Bachelor of Engineering (Honours) since 2018. Jackson is the undergraduate student elected member of UOW's University Council for 2021 and 2022 and was appointed to the Board by the University Council in 2022. Jackson currently works as a Tenant Advocate at the Illawarra Legal Centre and has also held casual roles at the University of Wollongong in the Strategic Planning, Governance, Student Services and Administration and Pro-Vice Chancellor (Students) Divisions. Jackson has also held the position of Chair of the Student Advisory Council for 2021 and 2022, in which time the Student Advisory Council delivered the Students as Partners Agreement and the Youth Climate Change Statement.

Jackson has a passion for improving the student journey at UOW in partnership with students. He has experience in leading teams of students, in organizational governance, and in legal risk management. Jackson also has also worked extensively on projects seeking to understand student perspectives on organisational policies, procedures and practices, and best practice in improving student experience.



Kathleen Packer

Executive Director
Since December 2019

Kathleen joined the University of Wollongong in 2018 as Director of Facilities Management Division. Her primary role is to secure safe and efficiently run domestic campuses for the University. This include maintenance, security, parking provision and enforcement, construction and environmental strategies. Prior to her employment with UOW, Kathleen worked within a local government context for over 16 years; having worked at both Wollongong City Council and Shellharbour City Council.

During her career Kathleen has managed facilities, building and civil maintenance, building and commercial operations and civil building construction. She is passionate about efficient operations, appropriate asset management, providing a high level of customer service and sustainability. Kathleen is currently the chair of the Tertiary Education Facilities Management Association (TEFMA) Board.



Matthew Wright

Executive Director
Since June 2019

Matthew joined the University of Wollongong in 2007 as the Associate Director of Financial Services, as was appointed to the role of Director of Financial Operations in 2013.

Matthew's expertise extends to a wide range of areas including investments, capital and commercial work projects, government policy, business process improvement, corporate financial modelling, organisational change and strategic planning.

As Director of Financial Operations, his primary roles are management for all the University's financial operations and systems for ensuring the effective management of governance and planning of the University's finance and planning processes.

Matthew is a Certified Practicing Accountant (Fellow) and holds a Bachelor of Commerce (Management) and Master of Accounting.



Jo Fisher

Executive Director
Since October 2018

Jo is the staff representative of the UOW Pulse Ltd. Board. Jo joined UniCentre in 1993, now UOW Pulse Ltd. and is the UniShop Manager. She has a Diploma of Welfare and Librarianship from the University of Wollongong. Jo has had a successful career and has written articles from Bookseller and Publisher magazines.

Jos is a UOW Environmental Committee member, UOW Cares Champion, member of the Ally Network on Campus and a member of Women on Boards.



Keval Patel

Executive Director
Since March 2020

Keval is the student representative of the UOW Pulse Ltd. Board. In his role of student representative, Keval is the Chair of the UOW Pulse Advisory Committee, UOW Pulse representative on the UOW Student Advisory Council and a member of the UOW Pro-Vice Chancellor Students Mental Health Advisory Committee. He is currently studying a Bachelor of Mechatronics Engineering (Honours) at the University of Wollongong.

Keval is passionate about education, environmental awareness, and people. Through volunteering roles, he has taught underprivileged children in India, participated in various tree plantation drives and also led an eye check-up drive as part of the Rotary Clubs. Through doing such activities, Keval successfully completed gold, silver, and bronze levels of the Duke of Edinburgh Award.

RETIRED



Sue Chapman

Non-Executive Director

October 2016 – April 2022

Sue had a long career as a senior executive in the ACT and NSW governments, with the most recent being the Deputy-Director General of the Community Services Directorate in the ACT. She has held senior positions in the Australian Department of Human Services and the Attorney-General's Departments while based in Canberra and has also worked in the private sector for 7 years as the CEO and Managing Director of NCS International based in Sydney. Sue was the Deputy Principal and Registrar of the University of Sydney for several years and has a good understanding of the University sector.

Sue holds a Bachelor of Arts and MBA, as well as being a graduate of the Australian Institute of Company Directors and an Executive Fellow of ANZOG. Sue has been long associated with UOW, having been a Council member for 11 years and Deputy Chancellor for two years. Sue has considerable board experience as in currently an independent member of the Audit and Risk Committee for the Education Directorate in the ACT and the Justice and Community Safety Directorate in the ACT.

DIRECTOR'S REPORT

BOARD OF DIRECTORS

This statement outlines the UOW Pulse Governance Practices that were in place throughout the financial year.

There were six meetings of the Board during 2022. The number of Board meetings attended by the directors is detailed below.

The Board is responsible for the overall Corporate Governance of UOW Pulse Ltd. including:

- Strategic direction;
- Establishing goals for management;
- Monitoring organisational performance; and
- Ensuring that stewardship frameworks are in place

The Board has an approved Corporate Governance Manual. This document outlines in detail the Rights and Responsibilities of Directors, and requires that director uphold the Australian Institute of Directors Code of Conduct. It also states the requirements for ethical conduct within the organisation, and disclosure of pecuniary interests on appointment and annually. Directors are offered external training and development activities, primarily through Australian Institute of Company Directors.

DIRECTORS METTING OF ATTENDANCE

	Board		ARMCC		PAC		REM	
	A	B	A	B	A	B	A	B
Sue Chapman	2	6	-	-	-	-	-	-
James Pearson	6	6	2	4	-	-	2	2
Christine Gopalan	6	6	4	4	-	-	2	2
Christine O'Toole	6	6	3	4	-	-	-	-
Shaun Minogue	4	6	3	4	-	-	-	-
Jackson Cocks	5	6	4	4	-	-	-	-
Matthew Wright	4	6	-	-	-	-	-	-
Kathleen Packer	6	6	-	-	-	-	2	2
Keval Patel	5	6	-	-	2	2	-	-
Jo Fisher	4	6	-	-	-	-	-	-

- A** = Number of meetings attended.
B = Reflects the number of meetings held during the time the director held office during the year.
ARMCC = Audit, Risk Management and Compliance Committee.
SAC = Student Advisory Committee.
REM = Remuneration Committee.

INSURANCE OF DIRECTORS AND OFFICERS

During the financial year a premium to insure directors and officers of the company was paid by the University of Wollongong, to the amount of \$146,041 per S3000(1)g, 300(8) and 300(9). The liabilities insured include costs and expenses that may be bought against the Directors and Officers in their capacity as Directors and Officers of the company

FINANCIAL PERFORMANCE

	2022 \$	2021 \$
Revenue	20,739,276	19,188,307
Operating result for the year	(3,024,553)	492,673
Retained earnings at the beginning of the financial year	10,000,623	9,507,950
Retained earnings at the end of the financial year	6,976,070	10,000,63

PRINCIPLE ACTIVITIES

UOW Pulse exist to be UOW's agile campus services arm geared to improve the quality of campus life. Our focus has evolved to providing an encompassing 'campus life' with the purpose to ENRICH our students' time on campus which is at the heart of what we do.

OUR VALUES

- Support
- Community
- Agility
- Quality
- Play

AUDIT PROCESS

As an entity of the University of Wollongong, the external auditors are The Audit Office of NSW. The Audit, Risk Management & Compliance Committee advises the Board on the external audit program and outcomes. As part of its processes the committee requires:

- The attendance of The Audit Office of NSW representatives at meetings where their reports are considered.
- A formal sign-off from management to the Board, on the accuracy of financial position and performance statements.
- A procedure of absenting senior managers during Audit meetings.

INTERNAL CONTROL FRAMEWORK

To assist in the discharge of its responsibilities for the internal control framework the Board uses Internal Auditors KPMG to ensure compliance with internal records.

DELEGATION OF AUTHORITY

The Board has, under section 198D of the Corporations Act, defined delegations of authority to individuals and committees. These delegations are recorded in the Governance Manual and Delegations of Authority Policy and cover:

- Property, Plant and Equipment
- Authority to Enter Contracts
- Staff and Organisation
- Operating Expenditure
- Financial Administration
- Sponsorship and Donation

RISK MANAGEMENT

The CEO oversees a range of risk management strategies on behalf of the Board of Directors. The Company's Risk Assessment Program was revised in 2019 and reviewed annually, which identified nine areas of risk and respective mitigation strategies to create a new Risk Assessment Profile. The Risk Assessment Profile is shared with the University's Risk, Audit and Compliance Committee as per protocol. The risk, mitigation strategies and status reports on action plans are embedded in quarterly reporting processes to the Audit, Risk Management and Compliance Committee as well as reported to the Board. Other specific arrangements include:

- Review by the Board of the annual budget and regular financial performance reviews.
- A comprehensive Insurance Program.
- Policies to ensure that capital expenditure commitments above a certain limit are authorised by the Board.
- Work Health and Safety reviews of the workplace in accordance with the relevant legislation.

BOARD COMMITTEES

The Board has the following advisory committees:

- Audit, Risk Management and Compliance Committee
- Remuneration Committee
- Pulse Advisory Committee (PAC)

DIVIDENDS

Dividends are not payable by companies limited by guarantee, such as UOW Pulse Limited.

STATE OF AFFAIRS

There were no significant changes to the scope of operating activities of UOW Pulse during the year.

EVENTS SUBSEQUENT TO BALANCE DATE

There has been no matter or circumstances that has arisen since the end of the financial year that has significantly affected or may significantly affect the operations of UOW Pulse.

LIKELY DEVELOPMENTS

Currently no likely developments to report.

AUDITOR'S INDEPENDENT DECLARATION

A copy of the Auditor's Independence Declaration as required under Section 307c of the Corporations Act 2001 is set out on page 17.



James Pearson

Chair
UOW Pulse Ltd. Board
29 March 2023



INDEPENDENT AUDITOR'S REPORT

UOW Pulse Limited

To Members of the New South Wales Parliament and Members of UOW Pulse Limited

Opinion

I have audited the accompanying financial statements of UOW Pulse Limited (the "Company"), which comprises the directors' declaration of the Company, the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2022, the Statement of Financial Position as at 31 December 2022, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- Have been prepared in accordance with the applicable financial reporting requirements of the Government Sector Finance Act 2018 (GSF Act), and the Government Sector Finance Regulation 2018 (GSF Regulation); and
- Presents fairly the Company's financial position as at 31 December 2022, and financial performance and cash flows for the year then ended.

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

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Company in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles 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
- precluding the Auditor-General from providing non-audit services.

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

Other Information

The Company's annual report for the year ended 31 December 2021 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The directors of the Company are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the CEO

Report, the Director's Report and the directors' declaration.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

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

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

Director's Responsibilities for the Financial Statements

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, and GSF Regulations. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Company carried out its activities effectively, efficiently and economically
- 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 information which may have been hyperlinked to/from the financial statements.



Lisa Berwick
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

6 April 2023
SYDNEY



To the Directors

UOW Pulse Limited

AUDITOR'S INDEPENDENCE DECLARATION

As auditor for the audit of the financial statements of UOW Pulse Limited for the year ended 31 December 2022, I declare, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of Section 60-40 of the Australian Charities and Not-for-profits commission Act 2012 in relation to the audit
- any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Lisa Berwick'.

Lisa Berwick
Director, Financial Audit

Delegate of the Auditor-General for New South Wales

6 April 2023
SYDNEY

DIRECTORS' DECLARATION

In the opinion of the Directors' of UOW Pulse Ltd ("the Company"):

1. The financial statements and notes, are in accordance with the provisions of the Government Sector Finance Act 2018 and the Corporations Act 2001, including:

(a) Giving a true and fair view of the financial position of the Company as at 31 December 2022 and of their performance, as represented by the results of its operations and their cash flows, for the year ended on that date; and

(b) Complying with Australian Accounting Standards and the Corporations Regulations 2001;

and

2. There are no reasonable grounds to believe that the Company will not be able to pay its debts as and when they become due and payable.

We are not aware of any circumstances that would render any particulars included in the financial reports to be misleading or inaccurate.

Dated at Wollongong, 29 March 2023.

Signed in accordance with a resolution of the Directors.

SIGNATURES:



James Pearson Alf Maccioni
Chair Chief Executive Officer
UOW Pulse Ltd. Board



Alf Maccioni
Chair Chief Executive Officer
UOW Pulse Ltd. Board UOW Pulse Ltd.

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2022

		2022	2021
	Note	\$	\$
Revenue from continuing operations	3	20,739,276	19,188,307
Gain/(loss) on disposal of assets	4	66,243	51,943
Raw materials and consumables used		(2,633,051)	(1,468,857)
Employee related expenses	5(a)	(13,959,936)	(11,467,450)
Depreciation and amortisation expense	5(b)	(2,316,480)	(2,332,522)
Other expenses	5(c)	(4,113,766)	(2,649,685)
Finance costs	5(d)	(806,839)	(829,063)
Operating (loss)/gain before income tax		(3,024,553)	492,673
Income tax expense	1(d)	-	-
Operating (loss)/gain for the year		(3,024,553)	492,673
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(3,024,553)	492,673

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 31 December 2022

	Note	2022 \$	2021 \$
ASSETS			
Current Assets			
Cash and cash equivalents	6	5,514,810	6,492,341
Trade and other receivables	7	1,473,948	336,008
Inventories	8	507,344	456,903
Other non-financial assets	9	145,179	256,927
Total current assets		7,641,281	7,542,179
Non current assets			
Property, plant and equipment	10	5,309,925	6,149,590
Right-of-use assets	11	20,802,734	22,168,849
Intangible assets	12	41,980	133,491
Total non current assets		26,154,639	28,451,930
Total assets		33,795,920	35,994,109
LIABILITIES			
Current liabilities			
Trade and other payables	13	2,813,080	1,018,974
Provisions	15	1,674,804	1,373,627
Other financial liabilities	16	360,800	506,464
Right-of-use assets	16	1,806,254	1,801,725
Total current liabilities		6,654,938	4,700,790
Non current liabilities			
Provisions	15	179,292	235,076
Right-of-use assets	16	19,985,620	21,057,620
Total non current liabilities		20,164,912	21,292,696
Total liabilities		26,819,850	25,993,486
Net assets		6,976,070	10,000,623
EQUITY			
Retained earnings	17	6,976,070	10,000,623
Total equity		6,976,070	10,000,623

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2022

2022

	Note	Retained Earnings \$
Balance at 1 January 2022	17	10,000,623
Deficit for the period		(3,024,553)
Other Comprehensive income		-
Total comprehensive income for the year	17	(3,024,553)
Balance at 31 December 2022		6,976,070

2021

	Note	Retained Earnings \$
Balance at 1 January 2022	17	9,507,950
Deficit for the period		492,673
Other Comprehensive income		-
Total comprehensive income for the year	17	492,673
Balance at 31 December 2022		10,000,623

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2022

	Note	2022 \$	2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		20,607,720	21,346,397
Payments to suppliers and employees		(19,765,169)	(21,454,588)
Interest received		78,141	20,259
Interest paid		(806,839)	(829,063)
Lease payments for leases of low-value assets		(70,319)	(86,834)
Net cash flows from operating activities	25	43,534	(1,003,829)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property, plant and equipment		(97,492)	(368,609)
Purchases of intangibles		-	(82,895)
Proceeds from sale of non-current assets		144,546	80,868
Net cash flows from investing activities		47,054	(370,636)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of leases		(1,068,119)	(954,642)
Net cash flows from financing activities		(1,068,119)	(954,642)
Net (decrease)/increase in cash and cash equivalents held		(977,531)	(2,329,107)
Cash and cash equivalents at beginning of year		6,492,341	8,821,448
Cash and cash equivalents at the end of the year	6	5,514,810	6,492,341

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

UOW Pulse Limited (the "Company") is a company limited by guarantee incorporated and domiciled in Australia. If the Company is wound up, each 'member' is liable to contribute a maximum of \$1.00 towards the costs, charges and expenses of winding up the Company and payment of debts and liabilities of the Company. The address of the Company's registered office is Northfields Avenue, North Wollongong NSW 2500.

The ultimate parent of the entity is the University of Wollongong.

The financial statement covers UOW Pulse Limited for the year ended 31 December 2022.

The nature of the operations and principal activities of the Company are providing services primarily to students including childcare, entertainment, student engagement activities, retail and food, sporting, leisure, recreation and health and fitness.

(a) Basis of preparation

These financial statements are general purpose financial statements, which have been prepared in accordance with Australian Accounting Standards (which includes Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board and the *Government Sector Finance Act 2018*.

These statements were authorised for issue on the 29th of March, 2023 .

The financial statements are presented in Australian dollars.

Compliance with Australian Charities and Not-for-profit Commission

The financial statement have been prepared in accordance with the *Australian Charities and Not-for-profits Commissions Act 2012*.

Compliance with IFRS

The financial statements of the Company do not comply with IFRS because the Company has adopted the not for profit requirements of the Australian Accounting Standards which are inconsistent with IFRS requirements.

Historical cost convention

The financial statements have been prepared under the historical cost convention except that the liability for long service leave is adjusted to net present value. Right of use assets are measured at the value of the lease liability at present value adjusted for lease payments before inception.

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 estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Going concern

The financial report has been prepared on a going concern basis as the directors have received a letter of continued financial support from the University of Wollongong, and believe that such financial support will continue to be made available. The directors believe that the company will be able to meet its debts as and when they fall due for the foreseeable future as a result of this financial support.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Sale of goods and rendering of services

Revenue arises mainly from the provision of goods and services by the Company to customers located on the campuses of the University of Wollongong.

To determine whether to recognise revenue, the Company follows the 5-step process within AASB 15:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from the sale of goods and services is recognised when the Company satisfies a performance obligation by transferring a promised good or service to a customer.

The Company generates most of its revenue from the provision of goods and services to Childcare Centres, Sports Facilities and Services, Tenanted Facilities and Retail operations.

(ii) Lease income

Lease income from operating leases is recognised as income on a straight line basis over the lease term.

(iii) Interest income

Interest income is recognised in the Statement of Comprehensive Income as it accrues.

(iv) Grants and contributions

An assessment is made to determine if the Company has an unmet performance obligation at the time of gaining control of the grant or contribution, and if so then a liability is recognised until the obligation is met. Alternatively, the grant or contribution will be recognised as income upon control of the contribution. Control is normally obtained upon the receipt of cash.

(v) Volunteer Services

UOW Pulse has made an assessment of AASB 1058 and elected not to recognise volunteer services received as income. As there is no reliable measure of the fair value of volunteer services and given that volunteer services would not have been purchased if not donated.

(c) Interest costs

Interest costs comprise interest payable on borrowings, which is recognised in the statement of comprehensive income as it accrues.

(d) Income tax

The operations of the Company are exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

As of the 3rd of April 2020, the operations of the Company are exempt from payroll tax under Section 48(2) of the NSW Payroll Tax Act 2007, resulting from the change to the Company's constitution.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

(e) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

(f) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and on hand and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included within interest bearing loans and borrowings in current liabilities in the statement of financial position.

(g) Trade and other receivables

Trade and other receivables are recognised at the original invoice amount as this is not materially different to amortised cost, given the short term nature of these receivables. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are expected to be uncollectible are written off.

For trade receivables and other, the Company applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The amount of the provision is recognised in the statement of comprehensive income. Debt forgiveness is recognised as the amount receivable as at the time the debt is forgiven.

(h) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a weighted average cost basis. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated selling costs.

(i) Investments and other financial assets

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs.

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss (FVPL)
- equity instruments at fair value through other comprehensive income (FVOCI)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- The entities business model for managing the financial asset.
- The contractual cash flow characteristics of the financial assets.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL.

Impairment of Financial assets

AASB 9's impairment requirements use more forward looking information to recognise expected credit losses - the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Classification and measurement of financial liabilities

The Company's financial liabilities include borrowings and trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

(j) Property, plant and equipment

(i) Owned Assets

Property, plant and equipment is stated at historical cost less depreciation.

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the reporting period in which they are incurred.

Generally property, plant and equipment and intangible assets with a greater value than \$5,000 are capitalised except for computer equipment which is normally capitalised irrespective of the \$5,000 threshold where it is considered to be part of a network of assets. Other property, plant and equipment items will be capitalised if they are individually less than \$5,000 in value only if they collectively with other items exceed \$5,000 combined and form one asset item.

Depreciation is calculated on a straight line basis over the estimated useful life of the specific assets as follows:

	2022	2021
Building improvements	5 - 10 years	5 - 10 years
Plant and equipment	3 - 10 years	3 - 10 years
Computer equipment	3 - 5 years	3 - 5 years
Motor vehicles	5 - 10 years	5 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income. An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

ii) Right of Use Assets

Right of use assets are measured at the value of the lease liability at present value adjusted for lease payments before inception. The right of use assets are recognised over the term of their respective leases:

	2022	2021
Buildings	20 years	20 years
Leased finance assets	4 years	4 years

(iii) Leasehold Improvements

The University as the parent entity holds legal title over all land and buildings the University and its subsidiaries (including the Company) occupy. Over time the Company has made improvements to buildings the Company occupied belonging to the Parent entity. The company recognises the expenditure as "Leasehold Improvements" effectively a right to use intangible assets and amortises the expense annually.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

The Company pays rent to the Parent entity for use of its buildings. The Company has full ownership and control of these improvements, whilst the Parent retains ownership of the base assets.

	2022	2021
Leasehold Improvements	30 - 40 years	30 - 40 years

(k) Intangible assets

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

Impairment losses recognised for goodwill are not subsequently reversed.

(ii) Computer Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Amortisation is calculated on a straight line basis over periods generally ranging from 3 to 5 years.

(iii) Software-as-a-Service (SaaS) arrangements

SaaS arrangements are arrangements in which the Company does not control the underlying software used in the arrangement. Where costs incurred to configure or customise SaaS arrangements result in the creation of a resource which is identifiable, and where the Company has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits, such costs are recognised as a separate intangible software asset and amortised over the useful life of the software on a straight-line basis. The amortisation period is reviewed at least at the end of each reporting period and any changes are treated as changes in accounting estimates.

Where costs incurred to configure or customise do not result in the recognition of an intangible software asset, then those costs that provide the Company with a distinct service (in addition to the SaaS access) are recognised as expenses when the supplier provides the services. When such costs incurred do not provide a distinct service, the costs are capitalised as a prepayment and are recognised as expenses over the duration of the SaaS contract. Previously some costs had been capitalised and amortised over its useful life. In the process of applying the Company's accounting policy on configuration and customisation of costs incurred in implementing SaaS arrangements, management has made following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements.

- Determining whether cloud computing arrangements contain a software licence intangible asset
 - The Company evaluates cloud computing arrangements to determine if it provides a resource that the Company can control. The Company determines that a software licence intangible asset exists in a cloud computing arrangement when both of the following are met at the inception of the arrangement:
 - The Company has the contractual right to take possession of the software during the hosting period without significant penalty.
 - It is feasible for the Company to run the software on its own hardware or contract with another party unrelated to the supplier to host the software.
 - Capitalisation of configuration and customisation costs in SaaS arrangements

Where the Company incurs costs to configure or customise SaaS arrangements and such costs are considered to enhance current on-premise software or provide code that can be used by the Company in other arrangements, the Company applies judgement to assess whether such costs result in the creation of an intangible asset that meets the definition and recognition criteria in AASB138.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

(l) Trade and other payables

Trade and other payables are stated at cost, which is considered to approximate amortised cost due to their short term nature and are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods and services.

(m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw down of the facility, are recognised as prepayments and amortised on a straight line basis over the term of the facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date and does not expect to settle the liability for at least 12 months after the reporting date.

(n) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The pre tax discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision resulting from the passage of time is recognised in finance costs.

(o) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries (including non monetary benefits) and annual leave that are due to be settled within 12 months after the end of the period in which the employees render the service are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled. Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non current liability.

Long term annual leave that is not expected to be taken within twelve months is measured at present value in accordance with AASB 119 Employee Benefits.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

The provision is calculated using estimated future increases in wage and salary rates including related on costs and expected settlement dates based on turnover history and is discounted using the rates attached to national government securities at reporting date which most closely match the terms of maturity of the related liabilities. Leave is charged to the provision at the time leave is taken. The provision for long service leave for the year ended 31 December 2021 was assessed by PricewaterhouseCoopers. The assumptions used to calculate the long service leave provision include:

- Salary inflation rate per annum: 2.5% (2021: 2%)
- Discount rate: 3.51% (2021: 1.50%)
- Proportion of leave taken in service: 52% (2021 11%)

(iii) Superannuation entitlements

Contributions to employee superannuation funds are charged against income as incurred. The Company is under no legal obligation to make up any shortfall in the funds' assets to meet payments due to employees.

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

(q) New accounting standards and interpretations

Following new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not yet been applied to the financial statements. The Company's assessment of the impact of these new standards and interpretations is that they will not materially affect any of the amounts recognised in the financial statements or significantly impact the disclosures in the financial statement or significantly impact the disclosures in relation to the Company.

Standard	Amendment	Application Date
AASB2022-3	Amendments to Australian Accounting Standards – Illustrative Examples for Not-for-Profit Entities accompanying AASB 15	1 January 2023
IFRS 16	Lease Liability in a sale and Leaseback- Amendment to IFRS 16	1 January 2024

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Summary of Significant Accounting Policies

2 Financial risk management objectives and policies

The Company's principal financial instruments comprise cash, investments, receivables, payables and borrowings.

The Company manages its exposure to the following financial risks, including credit risk, liquidity risk and market risk relating to interest rate and equity risk in accordance with the Company's financial risk management policy. The objective of the policy is to support the delivery of the Company's financial targets whilst protecting future financial security.

The Board has overall responsibility for the establishment and oversight of the risk management framework. The Board has established the Audit Risk Management and Compliance Committee, which is responsible for developing and monitoring risk management policies. The Committee reports to the Board on its activities.

(a) Credit risk

Credit risk refers to the risk that indebted counter parties will default on their contractual obligations, resulting in financial loss to the Company. Credit risk is monitored on an ongoing basis. The majority of the Company's business is conducted by cash or EFTPOS, and consequently the level of credit risk is low. In addition, the majority of trade and other debtors are with related entities. The Company does not require collateral in respect of financial assets. Trade and other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 7.

Investments are allowed only in liquid securities. All funds invested are invested with the National Australia Bank.

The weighted average interest rate on interest earned by the Company is 2.45% (2021: 0.15%).

At reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk by class of recognised financial assets is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position. Details with respect to credit risk of trade and other receivables are provided in Note 7.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps the cash flows have been estimated using forward interest rates applicable at the end of each reporting period.

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Financial risk management objectives and policies

31 December 2022

	Average Interest Rate %	Variable Interest Rate \$	Fixed Interest Rate \$	Non Interest \$	Less than 1 Year \$	1 to 5 Years \$	5+ Years \$	Total \$
Financial assets								
Cash and cash equivalents	2.45	5,514,810	-	-	5,514,810	-	-	5,514,810
Receivables	-	-	-	1,473,948	1,473,948	-	-	1,473,948
Other financial assets	3.65	-	120,000	-	120,000	-	-	120,000
Total Financial assets		5,514,810	120,000	1,473,948	7,108,758	-	-	7,108,758
Financial liabilities								
Payables	-	-	-	2,700,955	2,700,955	-	-	2,700,955
Lease liability	2.78	-	451,363	-	165,357	286,006	-	451,363
Total financial liabilities	-	-	451,363	2,700,955	2,866,312	286,006	-	3,152,318

31 December 2021

	Average Interest Rate %	Variable Interest Rate \$	Fixed Interest Rate \$	Non Interest \$	Less than 1 Year \$	1 to 5 Years \$	5+ Years \$	Total \$
Financial assets								
Cash and cash equivalents	0.15	6,492,341	-	-	6,492,341	-	-	6,492,341
Receivables	-	-	-	336,008	336,008	-	-	336,008
Other financial assets	0.35	-	120,000	-	120,000	-	-	120,000
Total Financial assets		6,492,341	120,000	1,473,948	6,948,349	-	-	6,948,349
Financial liabilities								
Payables	-	-	-	899,035	899,035	-	-	899,035
Lease liability	2.78	-	612,209	-	160,829	451,380	-	612,209
Total financial liabilities	-	-	612,209	899,035		451,380	-	1,511,244

c) Market risk

(i) Foreign currency risk

The Company's only exposure to foreign currency risk is in relation to purchases of UniShop stock from overseas. These purchases are normally each less than \$1,000 and in total are not material to the operations of UniShop as an individual business unit or to the Company. Sale price of these goods is set after the goods are paid for, thus the Australian Dollar amount is known, effectively passing on any foreign exchange cost or benefit to the customer.

(ii) Price risk

The Company and the parent entity maybe exposed to equity securities price risk. This arises from investments that may be held by the Company and classified on the statement of financial position as fair value through profit or loss. At reporting date, the value of the securities was nil (2021: \$nil). The Company is not exposed to commodity price risk.

To manage its price risk arising from investments in equity securities, investments held by the Company are diversified.

Notes to the Financial Statements

For the Year Ended 31 December 2022

2 Financial risk management objectives and policies

(iii) Cash flow and fair value interest rate risk

Interest Rate Risk is limited to interest on the balance of the National Australia Bank accounts, shown as cash and cash equivalents in Note 6. The forecast at the end of 2022 is an increase or decrease of 1% based on the current Reserve Bank of Australia cash rate of 3.10%. The Company's trade and other receivables are non interest bearing and all related party loans and receivables are interest free. Interest rates on Commercial Hire Purchase finance are fixed at the time of drawdown of each individual loan within the umbrella facility. The Company's trade and other payables are non interest bearing.

(iv) Summarised sensitivity analysis

The following table summarises the sensitivity of the Company's financial assets and financial liabilities to interest rate risk and price risk.

31 December 2022

	Carrying amount \$	Interest rate risk							
		-1%				+1%			
		Profit \$	Equity \$	Profit \$	Equity \$	Profit \$	Equity \$	Profit \$	Equity \$
Financial assets									
Cash and Cash Equivalents	5,514,810	(55,148)	(55,148)	(55,148)	(55,148)	-	-	-	-
Accounts receivable	1,473,948	-	-	-	-	-	-	-	-
Financial liabilities									
Trade payables	2,700,955	-	-	-	-	-	-	-	-
Current borrowings	165,357	-	-	-	-	-	-	-	-
Non-current borrowings	286,006	-	-	-	-	-	-	-	-
Other financial liabilities	21,594	-	-	-	-	-	-	-	-
Total increase/(decrease)		(55,148)	(55,148)	(55,148)	(55,148)	-	-	-	-

31 December 2021

	Carrying amount \$	Interest rate risk							
		-1%				+1%			
		Profit \$	Equity \$	Profit \$	Equity \$	Profit \$	Equity \$	Profit \$	Equity \$
Financial assets									
Cash and Cash Equivalents	6,492,341	(64,923)	(64,923)	64,923	64,923	-	-	-	-
Accounts receivable	336,008	-	-	-	-	-	-	-	-
Financial liabilities									
Trade payables	898,036	-	-	-	-	-	-	-	-
Current borrowings	160,829	-	-	-	-	-	-	-	-
Non-current borrowings	451,363	-	-	-	-	-	-	-	-
Other financial liabilities	12,390	-	-	-	-	-	-	-	-
Total increase/(decrease)		(64,923)	(64,923)	(64,923)	(64,923)	-	-	-	-

Notes to the Financial Statements

For the Year Ended 31 December 2022

3 Revenue

(a) From continuing operations

	2022 \$	2021 \$
Sales revenue		
Sale of goods	5,805,547	3,141,463
Provision of services	2,378,656	10,601,235
	18,184,203	13,742,698
Other income		
UOW Contribution	2,500,685	2,660,793
Rental income	1,053,640	607,499
Kids Uni Grant from UOW	185,000	185,000
Interest	78,141	20,259
JobKeeper/JobSaver Payment Federal Government	(1,262,393)	1,972,058
	2,555,073	5,445,609
	20,739,276	19,188,307

(b) Disaggregation of sales revenue from contracts with customers

The Company's performance obligations relate to retail operations, event management, child care, tenancy and sports & leisure. These performance obligations occur either immediately at the time of purchase or have an original expected duration of no longer than the current financial year. Revenue relating to these performance obligations is recognised at a point in time.

Revenue from contracts has been disaggregated between the following categories: sports & leisure, event management, tenancy, child care, UOW and grants.

	2022					
	Sources of funding					
	Event Management	Sport and Leisure	Tenancy	Child Care	Grants	UOW
Revenue and Income Streams	\$	\$	\$	\$	\$	\$
Fees and charges						
Events sales	1,583,470	-	-	-	-	-
Rent	-	-	1,053,640	-	-	-
Child Care fees	-	-	-	7,746,580	-	-
Child Care grant	-	-	-	-	185,000	-
Gym Membership fees	-	3,233,304	-	-	-	-
Contribution	-	-	-	-	-	2,651,584
Total Fees and charges	1,583,470	3,233,304	1,053,640	7,746,580	185,000	2,651,584
						16,453,578

Notes to the Financial Statements

For the Year Ended 31 December 2022

3 Revenue

(b) Disaggregation of sales revenue from contracts with customers

	Sources of funding						2021
	Event Management	Sport and Leisure	Tenancy	Child Care	Grants	UOW	Total
Revenue and Income Streams	\$	\$	\$	\$	\$	\$	\$
Fees and charges							
Events sales	430,953	-	-	-	-	-	430,953
Rent	-	-	607,499	-	-	-	607,499
Child Care fees	-	-	-	7,287,483	-	-	7,287,483
Child Care grant	-	-	-	-	185,000	-	185,000
Gym Membership fees	-	1,966,060	-	-	-	-	1,966,060
Contribution	-	-	-	-	-	2,828,724	2,828,724
Total Fees and charges	430,953	1,966,060	607,499	7,287,483	185,000	2,828,724	13,305,719

4 Gain on disposal of assets

Gain on disposal of assets

2022 \$	2021 \$
66,243	51,943
66,243	51,943

5 Expenses

(a) Employee benefits expense

	2022 \$	2021 \$
Wages and salaries	11,292,105	9,571,943
Annual leave, long service leave & workers insurance expense	1,470,315	906,246
Superannuation expense	1,161,768	969,241
Other employee benefits	35,748	20,020
	13,959,936	11,467,450

Superannuation

The Company makes contributions to various third party defined contribution superannuation funds. Contributions are included in the income statement as employee benefit expense, as outlined in Note 5a. The Company does not contribute to, or have any connection with, any defined benefit superannuation funds.

Notes to the Financial Statements

For the Year Ended 31 December 2022

5 Expenses

(b) Depreciation and Amortisation

	2022 \$	2021 \$
Depreciation		
Building improvements	255,716	315,149
Lease depreciation	1,366,116	1,241,113
Plant and equipment	120,525	207,464
Computer equipment	16,591	25,403
Leasehold Improvements	531,892	531,892
Total Depreciation	2,290,840	2,321,021
Amortisation		
Computer software	25,640	11,500
Total amortisation	25,640	11,500
Total depreciation and amortisation	2,316,480	2,332,521

(c) Other Expenses

	2022 \$	2021 \$
Consultant fees	280,318	136,788
Maintenance	419,056	396,900
Advertising & Promotional	81,217	41,473
Computer rental	86,440	117,590
Auditor's remuneration - audit of financial statements	90,750	79,500
Security	119,572	51,765
Activity Expenses	360,070	77,398
Cleaning	49,085	63,280
Kids Uni Catering	112,284	107,791
Bank charges	56,819	44,664
Laundry	69,911	51,789
Nappy Services	54,999	39,910
Waste disposal	131,583	110,471
Small Equipment	65,482	87,024
Legal expenses	163,946	53,340
Evening Entertainment	257,960	59,516
Lunch Entertainment	482,176	347,795
Electricity Expenses	121,605	67,097
Gas Charges	142,105	62,247
UniLife Promotion	7,476	38,966
Evening Sound	3,850	8,500
Computer software	113,993	109,868
Staff training	94,241	38,049
Bad debt expenses	7,843	18,829

Notes to the Financial Statements

For the Year Ended 31 December 2022

5 Expenses

(c) Other Expenses

	2022 \$	2021 \$
Customer transaction fee	116,306	89,640
Printing	37,486	40,690
Promotional resources	23,324	(49,135)
Rental external	80,552	66,044
Subscriptions	114,421	73,618
Other	368,896	218,278
	4,113,766	2,649,685

(d) Finance costs

	2022 \$	2021 \$
NAB loan interest	14,980	6,037
Lease interest	791,859	823,026
	806,839	829,063

6 Current assets - Cash and cash equivalents

	2022 \$	2021 \$
Cash at bank and on hand	5,514,810	6,492,341

7 Current assets - Trade and other receivables

	2022 \$	2021 \$
Trade receivables	1,572,217	426,434
Provision for impairment	(98,269)	(90,426)
Total current trade and other receivables	1,473,948	336,008

(a) Impaired trade receivables

As at 31 December 2022 current trade receivables of the Company with a nominal value of \$931,973 (2021: \$365,081) were past due. Of this past due amount, \$98,269 (2021: \$90,426) was considered impaired and provided for. The individually impaired receivables mainly relate to Childrens Service, Events, UniActive, Tenancy and Unishop customers, who are in unexpectedly difficult economic situations.

Notes to the Financial Statements

For the Year Ended 31 December 2022

7 Current assets - Trade and other receivables

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

	2022 \$	2021 \$
At 1 January	(90,426)	(108,784)
Provision for impairment recognised during the year	(7,843)	(18,761)
Receivables written off during the year as uncollectible	-	37,119
At 31 December	(98,269)	(90,426)

The creation and release of the provision for impaired receivables has been included in 'other expenses' in the statement of comprehensive income. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

Information about the Company's exposure to credit risk, foreign currency and interest rate risk is provided in Note 2.

2022

Expected credit loss rate

Estimated total gross carrying amount at default

Expected credit loss

2021

Expected credit loss rate

Estimated total gross carrying amount at default

Expected credit loss

Trade receivables Days Past due			
30-90 days	91-180 days	>180 days	Total
0.63 %	4.75 %	59.57 %	14.06 %
625,084	54,601	154,019	833,704
3,926	2,592	91,751	98,269
0.56 %	4.24 %	69.92 %	39.97 %
31,172	-	129,083	160,255
175	-	90,251	90,426

Notes to the Financial Statements

For the Year Ended 31 December 2022

7 Current assets - Trade and other receivables

As of 31 December 2022, trade receivables of \$833,704 (2021: \$274,655) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	2022	2021
	\$	\$
1 to 3 months	625,084	31,172
3 to 6 months	54,601	-
Over 6 months	154,019	243,483
At 31 December	(98,269)	274,655

8 Current assets - Inventories

	2022	2021
	\$	\$
Inventories - at cost	507,344	456,903
	507,344	456,903

Write downs of inventories to net realisable value recognised as an expense during the year ended 31 December 2022 amounted to \$197,199 (2021: \$145,370). The expense has been included in 'raw materials and consumables used' in profit or loss.

9 Current Assets - Other non-financial assets

	2022	2021
	\$	\$
Bank Guarantee	120,000	120,000
Prepayments	25,179	136,927
	145,179	256,927

Notes to the Financial Statements

For the Year Ended 31 December 2022

10 Non current assets - Property, plant and equipment

	2022 \$	2021 \$
Building improvements		
Cost	4,202,845	4,258,943
Accumulated depreciation	(3,596,580)	(3,423,037)
Total building improvements	606,265	835,906
Plant and equipment		
Cost	2,668,636	2,728,045
Accumulated depreciation	(2,490,431)	(2,488,300)
Total plant and equipment	178,205	239,745
Motor vehicles		
Cost	20,762	41,677
Accumulated depreciation	(20,762)	(41,677)
Total motor vehicles	-	-
Computer equipment		
Cost	198,886	198,886
Accumulated depreciation	(197,118)	(180,527)
Total computer equipment	1,768	18,359
Leasehold Improvements		
Cost	17,290,265	17,290,265
Accumulated depreciation	(12,766,578)	(12,234,685)
Total improvements	4,523,687	5,055,580
Total property, plant and equipment	5,309,925	6,149,590

Notes to the Financial Statements

For the Year Ended 31 December 2022

10 Non current assets - Property, plant and equipment

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Building improvements \$	Plant and equipment \$	Computer equipment \$	Leasehold Improvements \$	Total \$
Year ended at 31 December 2022					
Balance at the beginning of year	835,906	239,745	18,359	5,055,580	6,149,590
Addition	26,075	71,417	-	-	97,492
Disposals - written down value	-	(12,432)	-	-	(12,432)
Depreciation expense	(255,716)	(120,525)	(16,591)	(531,892)	(924,724)
Year ended at 31 December 2022	606,265	178,205	1,768	4,523,687	5,309,925
Year ended at 31 December 2021					
Balance at the beginning of year	917,903	342,800	41,116	5,587,472	6,889,291
Addition	245,135	120,827	2,646	-	368,608
Disposals - written down value	(11,983)	(16,418)	-	-	(28,401)
Depreciation expense	(315,149)	(207,464)	(25,403)	(531,892)	(1,079,908)
Year ended at 31 December 2021	835,906	239,745	18,359	5,055,580	6,149,590

Notes to the Financial Statements

For the Year Ended 31 December 2022

11 Right-of-use assets

	2022 \$	2021 \$
Cost	24,909,327	24,934,707
Accumulated depreciation	(4,106,593)	(2,765,858)
Total	20,802,734	22,168,849

Information about leases where UOW Pulse Limited is a lessee is presented below:

	2022 \$	2021 \$
Right-of-use assets		
Buildings		
At 1 January 2022	21,542,510	23,020,658
Additions of right-of-use assets	-	(278,585)
Depreciation charge	(1,199,912)	(1,199,563)
At 31 December 2022	20,342,598	21,542,510

	2022 \$	2021 \$
Right-of-use assets		
Plant and Equipment		
At 1 January 2022	626,338	3,073
Additions of right-of-use assets	-	664,816
Depreciation charge	(166,202)	(41,550)
At 31 December 2022	460,136	626,339
Total right-of-use assets	20,802,734	22,168,849

12 Non current assets - Intangible Assets

	2022 \$	2021 \$
Computer software		
Cost	120,281	200,939
Accumulated amortisation and impairment	(94,633)	(83,780)
Net carrying value	25,648	117,159
Goodwill		
Cost	216,792	216,792
Accumulated impairment	(200,460)	(200,460)
Net carrying value	16,332	16,332
Total Intangibles	41,980	133,491

Notes to the Financial Statements

For the Year Ended 31 December 2022

12 Non current assets - Intangible Assets

(a) Movements in Carrying Amounts

	Computer software \$	Goodwill \$	Total \$
Year ended 31 December 2022			
Net carrying amount at start of year	117,159	16,332	133,491
Disposals	(65,870)	-	(65,870)
Amortisation	(25,640)	-	(25,640)
Closing value at 31 December 2022	25,649	16,332	41,981

Year ended 31 December 2021			
Net carrying amount at start of year	46,288	16,332	62,620
Reclassification to Leasehold			
Improvements	-	-	-
Additions	82,895	-	82,895
Disposals	(524)	-	(524)
Amortisation	(11,500)	-	(11,500)
Closing value at 31 December 2021	117,159	16,332	133,491

13 Current liabilities - Trade and other payables

	2022 \$	2021 \$
Sundry creditors	275,908	223,763
GST payable	282,040	119,939
Accrued expenses	2,255,132	675,272
Total Trade and other payables	2,813,080	1,018,974

Notes to the Financial Statements

For the Year Ended 31 December 2022

14 Lessee

Amounts recognised in the income statement

	2022 \$	2021 \$
NAB loan interest	(14,980)	(6,037)
Lease interest	(791,859)	(823,026)
Income from sub-leasing right of use assets	1,060,279	587,449
Expenses relating to leases of low value assets, excluding short term leases of low-value assets	(70,319)	(86,834)
	(1,366,116)	(1,241,113)
Depreciation of right-of-use assets	(1,182,995)	(1,569,561)

Maturity analysis - undiscounted contractual cash flows

	2022 \$	2021 \$
Less than one year	1,864,507	1,859,979
One to five years	7,089,614	7,265,423
More than 5 years	20,292,041	21,989,975
Total undiscounted lease payments receivable	29,246,162	31,115,377
Lease liabilities recognised in the statement of financial position	21,791,874	22,859,344
Current	1,806,254	1,801,725
Non-current	19,985,620	21,057,619

Amounts recognised in statement of cash flows

	2022 \$	2021 \$
Total cash outflow for leases	1,945,278	1,870,539

Leases recognised in accordance with AASB 16 Leases are categorised as either Building or Leased Financial Assets:

(i) Buildings

The lease recognised in Buildings relates to the Funding and Service Agreement which provide the Company with a right to use and occupy space within buildings owned by the Parent. This agreement commenced in 2019 and is for a term of 20 years. There are no options to renew the agreement by the Company. The rent paid to the Parent is a fixed payment per annum.

(ii) Leased Financial Assets

The lease recognised in Leased Financial Assets relates to gymnasium equipment. The lease has a term of 4 years and expires in 2025. The lease includes a payment schedule, which includes both fixed and interest payments over the term of the lease.

Notes to the Financial Statements

For the Year Ended 31 December 2022

15 Provisions

(a) Current liabilities

	2022	2021
	\$	\$
Employee benefits - long service leave	910,648	583,043
Employee benefits - annual leave	764,156	790,584
Total current provisions	1,674,804	1,373,627

(b) Non current liabilities

	2022	2021
	\$	\$
Employee benefits - long service leave	179,292	235,076
Total Non current provisions	179,292	235,076

The current provision for long service leave and annual leave includes all unconditional entitlements where employees have completed the required period of service. The entire amount is presented as current. Based on past experience, the Company does not expect all employees to take the full amount of accrued current long service leave and annual leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

	2022	2021
	\$	\$
Long service leave obligation expected to be settled after 12 months	827,577	482,191
Annual leave obligation expected to be settled after 12 months	165,974	230,516

Expense recognised in the Statement of Comprehensive Income

Movements in provisions for annual leave and long service leave are included in the profit or loss as employee benefits expense, as outlined in Note 5a.

16 Other Financial liabilities

	2022	2021
	\$	\$
Deposits held	21,594	360,800
Income in advance	339,206	494,074
	360,800	506,464

17 Lease liabilities

	2022	2021
	\$	\$
Current		
Current Lease Liability	1,806,254	1,801,725
Total current - Right-of-use assets	1,806,254	1,801,725

Notes to the Financial Statements

For the Year Ended 31 December 2022

17 Lease liabilities

Right-of-use assets - Non- Current

	2022 \$	2021 \$
Non-Current		
Non-Current Lease Liability	19,985,620	21,057,620
Total non-current - Right-of-use assets	19,985,620	21,057,620

18 Retained Earnings

	2022 \$	2021 \$
Balance 1 January	10,000,623	9,507,950
Operating Result for the year	(3,024,553)	492,673
Retained earnings at 31 December	6,976,070	10,000,623

19 Key Management Personnel Disclosures

(a) Directors

The following persons were directors of UOW Pulse Limited during the financial year:

(i) Chair

Sue Chapman (Concluded: 06/04/2022)

James Pearson (Commenced: 16/02/2022)

(ii) Executive Directors

Jo Fisher

Kathleen Packer

Matthew Wright

(a) Directors

(iii) Non-executive Directors

Paul Eli (Concluded: 06/04/2022)

Shiva Gopalan

Christine O'Toole

Keval Patel

Jackson Cocks (Commenced: 16/02/2022) (Concluded: 31/12/2022)

Shaun Minogue (Commenced: 16/02/2022)

Aside from the remuneration for services rendered as an employee of the Company disclosed in Note 17(b) no Director has entered into any other material contract with the Company since the end of the previous financial year.

No remuneration was paid to Directors during the year in their roles as Directors.

Notes to the Financial Statements

For the Year Ended 31 December 2022

19 Key Management Personnel Disclosures

(b) Remuneration of Executive Officers

	2022 Number	2021 Number
Remuneration of executive officers		
\$50,000 to \$59,999	-	1
\$70,000 to \$79,999	1	1
\$90,000 to \$99,999	-	1
\$120,000 to \$129,999	2	1
\$240,000 to \$249,999	1	1

The totals of remuneration paid to the key management personnel of UOW Pulse Limited during the year are as follows:

	2022 \$	2021 \$
Remuneration payments made to Executive Officers		
Short term employee benefits	518,481	557,963
Post-employment benefits	55,896	44,753
Total Remuneration	574,377	602,716

20 Remuneration of Auditors

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

	2022 \$	2021 \$
Audit Office of NSW		
Auditor's remuneration	90,750	79,500

21 Commitments

(a) Lease commitments

(i) Operating lease commitments

Future Non Cancellable Operating Lease Rentals of Plant and Equipment

The Company has entered into a commercial lease for computer equipment. The computer equipment lease is for three years. There are no restrictions placed upon the lessee by entering into these leases. The GST component of operating lease commitments for the year 2022 is \$7,032 (2021: \$8,683)

	2022 \$	2021 \$
Commitments for minimum lease payments in relation to non cancellable operating leases are payable as follows:		
Within one year	68,819	76,275
Later than one year but not later than five years	42,495	61,814
Total Operating lease commitments	111,314	138,089

Notes to the Financial Statements

For the Year Ended 31 December 2022

21 Commitments

(ii) Operating lease commitments receivable

The Company has entered into commercial property leases for office space and food outlets.

These non cancellable leases have remaining terms of between one and five years. Leases are based on net sales and/or fixed amounts with a clause included to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

The future minimum lease payments receivable under non cancellable operating leases in the aggregate and for each of the following periods are:

	2022 \$	2021 \$
Receivable - minimum lease payments:		
Within one year	1,174,197	773,567
Later than one year but not later than five years	1,785,935	1,701,644
	<u>2,960,132</u>	<u>2,475,211</u>

Several tenants annual rent is based on a percentage of their turnover for the year. Contingent rent of \$213,700 including GST (2021: \$51,704) was received by the Company in the period. The total GST component of operating lease commitments receivable for the year 2022 is \$106,028 (2021: \$58,745)

(iii) Hire purchase commitments

The Commercial Hire Purchase Liability is an umbrella facility of up to \$1,270,000 that the Company can draw on for the purchase of equipment. It is renewable every 12 months. Interest is payable on each drawdown within the facility at the market rate prevailing at the time of the drawdown. As at 31 December 2022 the unused portion of the facility was \$818,637 (2021: \$653,015) and the portion of the facility in use was \$451,363 (2021: \$612,209).

(b) Capital commitments

The Company has nil contractual obligation to purchase within the next 12 months of plant and equipment at reporting date (2021: nil).

c) Finance Lease Commitments

Note	2022 \$	2021 \$
Commitments in relation to finance lease are payable as follows:		
Within one year	165,357	160,829
Later than five years	293,014	468,823
Total	<u>458,371</u>	<u>629,652</u>
Less: Future lease finance charges	(7,008)	(17,460)
Recognised as a liability	<u>451,363</u>	<u>612,192</u>

Notes to the Financial Statements

For the Year Ended 31 December 2022

22 Related Parties

(a) Directors' Transactions with UOW Pulse Limited

From time to time Directors of related parties or their Director related entities may purchase goods or services from UOW Pulse Limited. These purchases are on the same terms and conditions as those entered into by the employees of UOW Pulse Limited, or customers and are trivial or domestic in nature.

Aside from the remuneration for services rendered as an employee of the Company disclosed in Note 17(b) no Director has entered into any other material contract with the Company since the end of the previous financial year.

(b) Transactions with related parties

UOW Pulse Limited has a related party relationship with the following entities:

The University of Wollongong (Ultimate Controlling Entity)

UOW Global Enterprises and its controlled entities (UOWC Ltd and the Community College of City University Ltd)

Transactions with the controlling entity The University of Wollongong were as follows:

	2022 \$	2021 \$
Sales of goods and services		
- Sales	5,016,527	3,759,961
- Commissions	25,339	9,850
- Grants for specific purposes	185,000	185,000
Total	5,226,866	3,954,811
	2022 \$	2021 \$
Purchases of goods		
- Goods and services	2,771,438	2,590,110

From time to time Related Parties of UOW Pulse, including The University of Wollongong, UOW Global Enterprises and its controlled entities (UOWC Ltd and the Community College of City University Ltd) may enter into transactions. These transactions are on the same terms and conditions as those entered into by the Company's employees or customers.

(c) Outstanding balances arising from sales/purchases of goods and services

	2022 \$	2021 \$
<i>Current receivables</i> (sales of goods and services) Trade receivables	817,924	68,425
<i>Current payables</i> (purchases of goods) Trade creditors	373,260	43,645

23 Economic Dependency

The Company's trading activities do not depend on a major customer or supplier. However, the Company is economically dependent on the continued existence of the University of Wollongong.

Notes to the Financial Statements

For the Year Ended 31 December 2022

24 Events Occurring After the Reporting Date

No other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

25 Contingencies

There were no known contingent assets or liabilities existing at reporting date (nil at 31/12/2021).

26 Reconciliation of Operating Results After Income Tax to Net Cash Flows From Operating Activities

There were no known contingent assets or liabilities existing at reporting date (nil at 31/12/2021).

	2022 \$	2021 \$
Operating result for the year	(3,024,553)	492,673
Non-cash flows in profit:		
Amortisation	25,640	11,500
Depreciation	2,290,840	2,321,022
Net (gain)/loss on sale of non current assets		
Changes in assets and liabilities	(66,243)	51,943
(Increase)/decrease in trade debtors	(1,145,783)	1,613,139
Decrease/(increase) in prepayments	111,748	(30,680)
(Increase)/decrease in inventories	(50,441)	105,956
(Increase)/decrease in allowance for impairment	7,843	(18,358)
(Decrease)/increase in income in advance	(154,868)	(381,211)
Increase/(decrease) in trade creditors/accruals	1,794,755	(5,002,329)
Increase/(decrease) in other operating liabilities	9,204	(2,317)
Increase/(decrease) in other provisions	245,393	(61,281)
Net cash inflow from operating activities	43,535	(1,003,829)

END OF AUDITED FINANCIAL REPORT.

ABN 28 915 832 337

ACN 081 114 089



**UOW
PULSE**

