
UNILINC LIMITED

ACN 001 643 367 ABN 41 766 556 766

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www.unilinc.edu.au

Office hours: 9am - 5pm Monday – Friday

MEMBERS OF UNILINC as at 31 December 2012

Australian College of Applied Psychology	National Portrait Gallery
Australian Catholic University	NSW College of Law
Avondale College of Higher Education	NSW Police Academy
Board of Studies NSW	Raffles College of Design and Commerce
Campion College	SAE Institute
Catholic Institute of Sydney	Southern Cross University
Charles Sturt University	Study Group Australia
Christian Heritage College	Sydney Institute of Traditional Chinese Medicine
JMC Academy	Tabor College
National Art School	THINK: Education Group
National Gallery of Australia	Whitehouse Institute of Design

BOARD OF DIRECTORS 2012

Prof. I Goulter – Chairman	Charles Sturt University
Mr. J Cameron	Australian Catholic University
Prof. P Drake AM	Independent
Ms K Johnson [from November 2012]	Charles Sturt university
Ms F Lawton	Australian Catholic University
Mr. D Leith	Independent
Mr. A Morris [from November 2012]	Southern Cross University
Ms S Oakley [to June 2012]	Charles Sturt University
Mr. D Stewart [to June 2012]	Southern Cross University
Ms J Volker	National Gallery of Australia
Ms R Wade	UNILINC Office

EXECUTIVE AND PLANNING COMMITTEE 2012

Prof. I Goulter, Mr. J Volker and Ms R Wade

TECHNICAL COMMITTEE 2012

Ms A Schryver - Convenor	UNILINC Office
Ms A Bannerman	Southern Cross University
Ms I Evans	Charles Sturt University
Ms J Frawley	Australian Catholic University
Ms L Miller	NSW Police Academy
Mr. S Whelan	Australian Catholic University

**UNILINC OFFICE
as at 31 December 2012**

Executive Director & CEO	Rona Wade
Associate Director	Tony Cargnelutti (p/t)
Information Technology Services Manager	Mohammed Moh'd
Library Systems & Implementation Manager	Bronwyn King
Accounts Clerk	Yuli Chan
Web Developer	Clare Decena
Library Support Coordinator	Helen Loosli (p/t)
Library Support Coordinator	Jenny Clarke (p/t)
Library Support Consultant	Annette Schryver (p/t)
Network and System Administrator	Ismail Sumrain(p/t)
Authorities Librarian	Teesha Forgas
Consultants (p/t)	Fred Piper, Glenda Henderson
Contract Cataloguing (p/t)	Sue Baglin, Adele Ganschow, Richard Goodwin, Wendy Hazell, Jana Huntley, Magdalene Lai, Wai Fong Leung, Sue Welsh

Thirty five years of serving Libraries.

**To provide quality products and services at a lower
cost than Members can achieve independently.**

**To stimulate and promote cooperative activities
between Member libraries.**

CHAIRMAN'S STATEMENT

2012 was a year of consolidation with the successful roll out of the discovery service, Primo, to another six Members. Primo was purchased on behalf of Members to mark the 30th anniversary of UNILINC. It is the flagship service for UNILINC as it will support the libraries and their users into the foreseeable future and facilitate the move to a next generation library management system.

UNILINC welcomed the National Portrait Gallery as a Member.

FINANCES AND AUDIT

Income in 2012 was \$2,653,429 (\$2,445,744 in 2011) with a surplus of \$23,239 (\$55,726 deficit in 2011). Provision for depreciation was \$85,774. Cash reserves as at 31 December 2012 increased to \$1,742,382 (\$1,679,382 in 2011). The tax exempt status of the Company was confirmed in January 2012.

BOARD OF DIRECTORS

The Company held its Thirty Fourth General Meeting on 8 May 2012. At that time Professor Ian Goulter and Professor Peter Drake retired in accordance with Section 28 of the Articles of Association and, having made themselves available, were duly re elected. In accordance with Section 29, Ms Fides Lawton, having been appointed to fill a casual vacancy, was elected as Director. At the following Board meeting, Professor Ian Goulter and Ms Joye Volker were elected Chair and Deputy Chair respectively.

The Board met four times during 2012. In March 2012, ExLibris provided a briefing to the Board on strategic systems developments of relevance to higher education and to UNILINC.

THE SHARED SYSTEM

The Shared System, comprising the library management system, Aleph, and the discovery service, Primo, is at the heart of UNILINC success and remains the core activity of the Company. It delivers the full range of functionality required for effective library management and information service delivery whilst also facilitating resource sharing between Member libraries.

All Members use Aleph and an increasing number are implementing Primo. In 2012 UNILINC negotiated a deal with ExLibris for access to electronic resources via Primo at an affordable rate for the smaller Member libraries. As a result another six (6) Members took up Primo, bringing to 15 the number of Members using the service. The aim is for the remaining Members to make the transition through 2013. Primo is an outstanding success with more than 8 million searches conducted in 2012, a fourfold increase over 2011. Developments through the year for Primo include the generation of New Titles lists, mobile views and QR codes.

The Company undertakes constant and ongoing upgrades to system and networking hardware and software. A major project for 2012 was the implementation of a new firewall. This was achieved without any downtime after more than a year of careful planning.

UNILINC continued its active participation in the Regional Collaborative Partnership program for Alma the next generation library system being developed by ExLibris, the supplier of Aleph and Primo. Alma will bring together the management of print, electronic and digital resources into one system thus enabling simpler integrated workflows which promise improved efficiencies and faster through put for libraries. By being part of the collaborative program UNILINC is well positioned to help ensure this promise is delivered and that regional requirements are addressed.

HOSTED SYSTEM PROJECTS

SFX linking system: UNILINC supports twelve Member libraries in their use of ExLibris SFX which provides links to online journal articles and e-books. SFX is an integral part of Primo as it is through SFX that licensed material is made available to authorised students and staff.

Verde: The Australian Catholic University and Southern Cross University make use of this e-resource system as a fully supported service through UNILINC. Verde enables a library to manage the complexities of electronic subscriptions and associated licences in the one environment.

DigiTool Institutional Repository: Charles Sturt University and the Australian Catholic University use DigiTool through UNILINC as a fully supported integrated research management system and repository which is fully compliant with the requirements of Excellence in Research for Australia (ERA) and Higher Education Research Data Collection (HERDC).

OTHER ACTIVITIES AND PROJECTS

Contract cataloguing: Clients in 2012 included three State Libraries, major book suppliers and individual public, government and university libraries. UNILINC specialises in cataloguing research and technical publications as well as material in languages other than English (LOTE).

Training: In addition to training Members in the use of the UNILINC systems, UNILINC staff also trained library staff from across NSW in the National Library of Australia Document Delivery system. In December 2012 UNILINC also announced a series of courses in the new cataloguing rules for Resource Description and Access (RDA) for Members and the library community.

Discounts: Members benefited from a range of discounts on books and electronic resources.

Reciprocal borrowing: The Reciprocal Borrowing Scheme and Interlibrary Lending Scheme continued to bring benefits to those participating Members.

THE OFFICE

The new web site was launched in February. This development, which was completed on time and within budget, provides improved support features for staff of Member libraries and a shared calendar and other collaborative tools for UNILINC staff.

During 2012 the skills of UNILINC staff were acknowledged internationally when Helen Loosli was appointed to the Alma Working Group and subsequently elected Deputy Chair, and Bronwyn King was appointed to the Primo Working Party.

Three staff attended the international ExLibris User Group meeting in Zurich at which Bronwyn King copresented on the UNILINC DigiTool Repository development.

Through the year staff participated in advanced web based training made available by ExLibris.

The Executive Director and Associate Director of UNILINC were invited to present the Charles Sturt University School of Information Studies inaugural Invited Practitioners Seminar in July. The topic was the Next Generation Library System.

CONCLUSION

The success of Primo augers well for the future. Already in the first months of 2013 the number of searches on the system is twice that of the same time in 2012. Out of the many millions of texts now published electronically, Primo selects those most relevant to the search criteria input by the user. At last researchers and students alike can access scholarly information and analysis when they wish and where they wish. Journal articles and reference and text books can be consulted using phones and tablets in libraries, learning commons, laboratories, on the bus, at work, in waiting rooms, in the park - anywhere with wifi or other network access. Accessing the commentary, analysis and data necessary for academic success is now possible without having to handle a physical book or a journal or even a pc.

The challenge for libraries and hence UNILINC is how to ensure quality scholarly material is acquired and made accessible as soon as it is available. Having a service such as Primo provides the delivery mechanism. However, it is only as good and as current as the information it draws upon. Libraries purchase (or licence) the content, account for it and process it for distribution. Current library management systems are handicapping libraries with different systems and processes required for print, electronic and digital materials. The new cloud based library management systems are based on work flows aimed at achieving an end result rather than the work being an end in itself. UNILINC has welcomed this development. By the end of this year it is expected that UNILINC will be in a position to make the decision to move from its current systems to the new single integrated system bringing service benefits to users and cost savings to libraries.

November 2013 will mark 35 years of successful operation by UNILINC. This makes UNILINC one of the oldest cooperative endeavours in higher education in Australia. This success has been without any ongoing financial support from the government or Member subsidies. This unique achievement is due to a supportive membership, responsible Directors, committed and skilled staff in member libraries and the efforts of the committed and skilled staff of UNILINC Office underpinned by prudent financial management and a focus on service, value and innovation.

I thank all Members for their continued support and look forward to seeing you all next year.

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

UNILINC LIMITED
ACN 001 643 367
AND ITS CONTROLLED ENTITY

DIRECTORS' REPORT

The Directors submit the statutory report in respect of the results of the Company and its controlled entity for the financial year ended 31 December 2012 and the state of affairs of the Company and its controlled entity as at that date.

Director Names

The names of the Directors in office during and up to 31 December 2012 and their qualifications are:

Ian C. Goulter	BE (Hons), MSC, PhD [Chairman]
John M. Cameron	MCom (Hons), CPA, AIMM
Peter J. Drake AM	BCom (Hons), PhD, FCPA
Karen M. Johnson (from November)	BA, BCom, Grad.Dip.lib, AAICD
Fides D. Lawton	BSC, M.Lib, Grad.Dip.Mgt, AALIA
Dean V. Leith	BA, Grad.Dip.IMLib, M.Lib
Allan D. Morris (from November)	Grad.Dip.IT
Shirley D. Oakley (to June)	BA, Grad.Dip.Bus, M.Mgt (HRM), AALIA
Des R. Stewart (to June)	BA, Grad.Cert.Bus.Admin, AALIA
Joye D. Volker	BSC, MLS, AALIA
Rona D. Wade	BA, Grad.Dip.Lib, M.Lib, AALIA [Company Secretary]

Company Objectives

The sole purpose and object of the Company being the advancement of education within and for the benefit of the community and of the public, is to establish, operate, maintain or participate in or join with others in establishing, operating, maintaining or participating in a library network or networks (with such deletions, alterations, amendments, improvements, refinements or additions as may, from time to time, be or appear to be required or desirable in any such network) for the use and benefit of those Members that are established as non-profit institutions for the provision and advancement of education within and for the benefit of the community.

Company Performance

Each year the company decides strategic initiatives above and beyond the existing service provision.

The consolidated operating result of the Company and its controlled entity for the financial year was a surplus of \$23,359 (2011 - \$55,726) after providing \$85,774 for depreciation.

The Company is a non-profit organisation which complies with the terms of sections 50-55 of the Income Tax Assessment Act 1997. Consequently, it is not necessary to provide for income tax or dividends. The Company's wholly owned subsidiary, Web-Ezy Solutions Pty Ltd was deregistered on 29 January 2012.

Information on Directors

Information on Directors is as follows:

I. Goulter	Consultant. First elected 2004.
J. Cameron	Consultant. First elected 2004.
P. Drake AM	Consultant. First elected 1995.
K. Johnson	Executive Director. Division of Library Services. Charles Sturt University. Appointed 2012
F. Lawton	Director of Libraries. Australian Catholic University. Elected 2012.
D. Leith	Project Manager, Integrated Transport Information System, Transport for NSW. Elected 2010.
A. Morris	Executive Director. Information and Physical Resources. Southern Cross University. Appointed 2012.
S. Oakley	Deputy Vice-Chancellor & Vice-President (Administration). Charles Sturt University. First elected 2005.
D. Stewart	Director Library Services. Southern Cross University. First elected 2006.
J. Volker	Chief Librarian National Gallery of Australia. Elected 2010.
R. Wade	Executive Director & CEO. UNILINC Limited. Ex Officio.

Meetings of Directors

For the year ended 31 December 2012, the number of meetings at which Directors were in attendance is as follows:

	No. of Meetings Held while in Office	Meetings Attended
Ian C. Goulter [Chairman]	4	4
John M. Cameron	4	3
Peter J. Drake AM	4	4
Karen M. Johnson	1	1
Fides D. Lawton	4	3
Dean V. Leith	4	3
Allan D. Morris	1	1
Shirley D. Oakley	2	2
Des R. Stewart	2	1
Joye D. Volker	4	4
Rona D. Wade [Company Secretary]	4	4

Members Guarantee

Every member of the Company undertakes to contribute to the assets of the Company in the event of the Company being wound up during the time that it is a member or within one year of ceasing to be a member, for payments of debts and liabilities contracted before the time at which it ceased to be a member to the extent of \$20. The total guarantee in favour of the Company stands at four hundred and sixty dollars (\$460).

Auditor's Independence Declaration

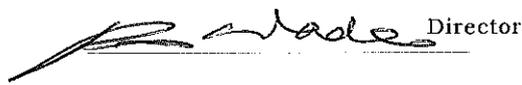
A copy of the auditor's independence declaration as required under section 307C of the Corporation Act 2001 is attached.

Signed at Sydney on 28 February 2013 for and on behalf of the Board in accordance with its Resolution.



I. Goulter

Director



R. Wade

UNILINC LIMITED

ACN 001 643 367

AND ITS CONTROLLED ENTITY

DIRECTORS' DECLARATION for the year ended 31 December 2012

In the opinion of the Directors of UNILINC Limited:

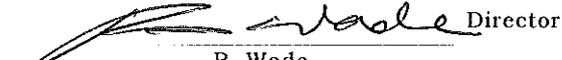
- 1) The financial statements and notes thereto comply with Australian Accounting Standards.
- 2) The financial statements and notes thereto give a true and fair view of the financial position and performance of the Company and the consolidated entity.
- 3) At the date of this statement there are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable and that the controlled entity will have the continued support of the Company.
- 4) In the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporation Act 2001.

Signed at Sydney on 28 February 2013 for and on behalf of the Board in accordance with its Resolution.



I. Goulter

Director



R. Wade

Director



PITCHER PARTNERS
ACCOUNTANTS AUDITORS & ADVISORS

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UNILINC LIMITED AND CONTROLLED ENTITIES
ACN 001 643 367

AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF UNILINC LIMITED

In relation to audit of UNILINC Limited for the year ended 31 December 2012, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of any applicable code of professional conduct.

MARK GODLEWSKI
Partner
PITCHER PARTNERS
28 February 2013

UNILINC LIMITED

ACN 001 643 367
AND ITS CONTROLLED ENTITY

STATEMENT OF FINANCIAL POSITION as at 31 December 2012

	Note	2012 \$	2011 \$
CURRENT ASSETS			
Cash and cash equivalents	6	2,055,957	1,742,382
Trade and other receivables	7	103,328	85,485
Other current assets	8	<u>370,363</u>	<u>464,091</u>
TOTAL CURRENT ASSETS		<u>2,529,648</u>	<u>2,291,958</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	<u>274,916</u>	<u>360,648</u>
TOTAL NON-CURRENT ASSETS		<u>274,916</u>	<u>360,648</u>
TOTAL ASSETS		<u>2,804,564</u>	<u>2,652,606</u>
CURRENT LIABILITIES			
Trade and other payables		269,717	209,309
Other current liabilities	10	1,464,520	1,425,624
Provisions	11	<u>168,413</u>	<u>143,206</u>
TOTAL CURRENT LIABILITIES		<u>1,902,650</u>	<u>1,778,139</u>
NON-CURRENT LIABILITIES			
Provisions	11	<u>8,236</u>	<u>4,148</u>
TOTAL NON-CURRENT LIABILITIES		<u>8,236</u>	<u>4,148</u>
TOTAL LIABILITIES		<u>1,910,886</u>	<u>1,782,287</u>
NET ASSETS		<u>893,678</u>	<u>870,319</u>
EQUITY			
Retained surplus		<u>893,678</u>	<u>870,319</u>
TOTAL EQUITY		<u>893,678</u>	<u>870,319</u>

UNILINC LIMITED

ACN 001 643 367

AND ITS CONTROLLED ENTITY

STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2012

	Note	2012 \$	2011 \$
Revenues from ordinary activities	5	2,653,429	2,455,744
Strategic purchasing costs		[495,239]	[462,452]
Employee benefit expenses		[1,524,740]	[1,403,370]
Depreciation and amortisation expense		[85,774]	[114,933]
Auditor's remuneration		[13,954]	[39,800]
Electricity and outgoings		[25,953]	[26,899]
Rent		[141,408]	[142,498]
Maintenance		[183,444]	[167,881]
Telecommunications		[35,752]	[28,037]
Other expenses from ordinary activities		[123,806]	[125,600]
Operating surplus for the year		23,359	[55,726]
Total comprehensive income for the year		23,359	[55,726]

STATEMENT OF CASH FLOWS for the year ended 31 December 2012

	Note	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		2,829,316	2,391,737
Interest received		68,352	79,096
Payments to suppliers and employees		[2,575,382]	[2,381,721]
Net cash generated from operating activities		322,286	89,112
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for purchase of plant and Equipment		[8,711]	[26,194]
Net cash used in investing activities		[8,711]	[26,194]
Net increase in cash held		313,575	62,918
Cash at the beginning of the financial year		1,742,382	1,679,464
Cash at the end of the financial year	19	2,055,957	1,742,382

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2012

	2012 \$	2011 \$
Balance at 1 January	870,319	926,045
Surplus/(loss) attributable to the entity	23,359	(55,726)
Balance at 31 December	893,678	870,319

UNILINC LIMITED

ACN 001 643 367
AND ITS CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2012

1. Statement of Significant Accounting Policies

These financial statements are general purpose statements that have been prepared in accordance with Australian Accounting Standards, which includes Australian Accounting Interpretations, and the Corporations Act 2001. Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

These financial statements cover the economic entity of UNILINC Limited and its wholly owned subsidiary Web-Ezy Solutions Pty Ltd. UNILINC Limited is a company limited by guarantee, incorporated and domiciled in Australia.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

AASB 1053 Application of Tiers of Australian Accounting Standards

The Company has early adopted AASB 1053 from 1 January 2011. This standard established a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards – Reduced Disclosure Requirements. The Company being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2.

The financial statements have been prepared on an accrual basis and are prepared based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements have been authorised for issue by the directors of UNILINC Limited on .

(a) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation and amortisation

The depreciable amount of all fixed assets, including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Estimated Useful Life
Furniture and fittings	5 Years
Office equipment and software	3 to 10 Years
Leasehold improvements	10 Years
Major system hardware and software	8 to 10 Years
Buildings	100 Years

(b) Employee Benefits

Provision is made for the liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with benefits arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at the amount expected to be paid when the liability is settled, plus on-costs.

Contributions made to employee defined contribution superannuation fund are expensed when incurred.

(c) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipts of cashflow expires or the assets is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

i) Financial assets at fair value through profit and loss

Financial assets are classified at fair value through profit and loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit and loss in the period which they arise.

ii) Loans and receivable

Loans and receivables are non-derivative financial assets with fixed or determined payments that are not quoted in an active market and are subsequently measured at amortised costs using the effective interest rate method.

iii) Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

(d) Revenue

Revenue is recognised when the service is provided. Interest income is using the effective interest method as set out in AASB 139 Financial Instruments: Recognition and Measurement.

(e) Allowance for doubtful debts

No allowance for doubtful debts was made as all debts are considered collectable.

(f) Income Tax

No provision for income tax has been raised as the parent entity is exempt from income tax under Division 50 of the Income tax Assessment Act 1997.

(g) Comparative Figures

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

(h) Foreign Currency Translation

All foreign currency translations during the year are bought to account using the exchange rate in effect at the date of the transaction. Foreign currency monetary items at reporting date are translated at the exchange rate existing at the date. Exchange differences are recognised in the Statement of Comprehensive Income in the period in which they arise.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST incurred is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flow

- 2. Member's Guarantee**
UNILINC Limited is limited by guarantee. Each member undertakes to contribute to the assets of the Company in the event of the same being wound up during the time it is a member or within one year afterwards, for payment of the debts and liabilities of the Company contracted before the time at which it ceases to be a member and of the costs, charges and expenses of winding up the same and for adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding twenty dollars (\$20). The total guarantee in favour of the Company stands at four hundred and sixty dollars (\$460) as at 31 December 2012 (2011 - \$460).
- 3. Revenue Recognition**
Subscriptions. These comprise annual UNILINC member subscriptions. Twenty-three (23) subscriptions were received in the year.
Charges in Advance. UNILINC provides a library system to members on a fee for service basis. Some fees are invoiced 12 months in advance and income is brought to account on a progressive basis.
Strategic Purchasing. UNILINC acts as an intermediary in the purchase of database products to achieve economies of scale and recovers costs from respective members.
Interest. Interest is earned from bank term deposits.
- 4. Controlled Entity**
UNILINC held shares in the 100% owned subsidiary Web-Ezy Solutions Pty Ltd. Web-Ezy Solution Pty Ltd was deregistered voluntarily on 29 January 2012. There was no gain or loss recognised in 2012 as the investment in this subsidiary and related party loans were written off in 2011.

	2012 \$	2011 \$
5. Revenue		
Computer services	2,152,633	1,633,980
Subscriptions	23,000	23,000
Strategic purchasing	407,948	727,330
Interest Income	69,848	71,434
	<u>2,653,429</u>	<u>2,455,744</u>
6. Cash and Cash Equivalents		
Cash on hand	500	500
Cash at bank	51,235	64,464
Cash on deposit	2,004,222	1,677,418
	<u>2,055,957</u>	<u>1,742,382</u>
7. Trade and Other Receivables		
Debtors	67,269	62,070
Accrued income	36,059	23,415
	<u>103,328</u>	<u>85,485</u>
8. Other Current Assets		
Prepayments	195,644	129,974
Strategic purchasing prepayments	174,719	334,117
	<u>370,363</u>	<u>464,091</u>
9. Property Plant and Equipment		
Buildings - at cost	69,494	69,494
Accumulated depreciation	(9,035)	(8,340)
	<u>60,459</u>	<u>61,154</u>
Office furniture & equipment - at cost	137,074	134,761
Accumulated depreciation	(124,359)	(118,657)
	<u>12,715</u>	<u>16,104</u>
Computer equipment - at cost	1,483,679	1,508,249
Accumulated depreciation and amortisation	(1,282,167)	(1,225,998)
	<u>201,512</u>	<u>282,251</u>
Software - at cost	12,700	12,700
Accumulated depreciation	(12,470)	(11,561)
	<u>230</u>	<u>1,139</u>
Leasehold improvements - at cost	50,684	50,684
Accumulated depreciation	(50,684)	(50,684)
	<u>-</u>	<u>-</u>
	<u>274,916</u>	<u>360,648</u>

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of 2012 for the economic entity and parent entity.

2012	Building	Office Furniture Equipment	Computer Equipment & Software	TOTAL
	\$	\$	\$	\$
Carrying amount – at 1 January	61,154	16,104	283,390	360,648
Additions	-	3,681	5,030	8,711
Disposals	-	-	(8,669)	(8,669)
Depreciation expense	(695)	(7,070)	(78,009)	(85,774)
Carrying Amount – End Of Financial Year	60,459	12,715	201,742	274,916

2011	Building	Office Furniture Equipment	Computer Equipment & Software	TOTAL
	\$	\$	\$	\$
Carrying amount – at 1 January	61,849	18,202	369,394	449,445
Additions	-	6,189	20,005	26,194
Disposals	-	(58)	-	(58)
Depreciation expense	(695)	(8,229)	(106,009)	(114,933)
Carrying Amount – End Of Financial Year	61,154	16,104	283,390	360,648

	2012	2011
	\$	\$
10. Other Current Liabilities		
Fees in advance	<u>1,464,520</u>	<u>1,425,624</u>
11. Provisions		
Current Liabilities		
Employee benefits	<u>168,413</u>	<u>143,206</u>
Non-Current Liabilities		
Employee benefits	<u>8,236</u>	<u>4,148</u>
12. Audit Fee. The fee for audit of the consolidated financial statements is \$14,450 GST exclusive (2011 - \$13,950)		
13. Remuneration of Directors. The aggregate of income paid or payable, or otherwise made available, in respect of the financial year, to all key management personnel of the consolidated entity, directly or indirectly, by the company or by any related party: \$168,759 (2011 - \$167,131).		

The names of directors who have held office during the year are:

Ian C. Goulter
 John M. Cameron
 Peter J. Drake AM
 Karen M. Johnson
 Fides D. Lawton
 Dean V. Leith
 Allan D. Morris
 Shirley D. Oakley
 Des R. Stewart
 Joye D. Volker
 Rona D. Wade

- 14. Superannuation.**
The economic entity paid \$168,314 in 2012 (2011 - \$142,152) to private insurance companies for its contribution for superannuation. There was no unfunded liability for employer contributions at 31 December 2012.
- 15. Payments to Consultants.** There were no payments to consultants during 2012 (2011 - \$15,000).
- 16. Related Party Transactions.** UNILINC Limited had a 100% share holding in Web-Ezy Solutions Pty Ltd which was incorporated in Australia (see note 4).
- 17. Commitments Rental Lease.**
Commitments (GST inclusive) for leased office accommodation not otherwise provided for in the accounts are:

	2012	2011
	\$	\$
Not later than 1 year	164,929	154,857
Later than 1 and not later than 5 years	458,298	602,724
	<u>623,227</u>	<u>757,581</u>

The above commitment includes GST of \$56,657 recoverable from Australian Taxation Office (2011 - \$68,871).

- 18. Contingent Liabilities.** There were no contingent liabilities as at 31 December 2012 (2011 - \$nil).
- 19. Note to Cash Flow Statement.**

Reconciliation of Cash

Cash on hand	500	500
Cash at bank	51,235	64,464
Cash on deposit	<u>2,004,222</u>	<u>1,677,418</u>
	<u>2,055,957</u>	<u>1,742,382</u>



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UNILINC LIMITED AND CONTROLLED ENTITIES
ACN 001 643 367

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
UNILINC LIMITED

We have audited the accompanying financial report of UNILINC Limited, which comprises the statement of financial position as at 31 December 2012, the statement of comprehensive income, 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, and the directors' declaration of the company comprising entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



Independence

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

Opinion

In our opinion, the financial report of UNILINC Limited is in accordance with:

(a) the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and

(b) other mandatory professional requirements in Australia.

MARK GODLEWSKI

PARTNER

28 February 2013

PITCHER PARTNERS

SYDNEY