

INCOME STATEMENTS **2017**

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AUSTRALIAN
ACCESS FEDERATION



AUSTRALIAN ACCESS FEDERATION INCORPORATED

ABN 13 155 355 685

**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

| | 2017 | 2016 |
|--|-----------------------|----------------------|
| | \$ | \$ |
| INCOME | | |
| AAF Subscriptions | 1,346,766 | 937,651 |
| Bank Interest | 20,033 | 14,532 |
| Project Income | 554,157 | 815,925 |
| ORCID Income | 431,890 | 456,000 |
| Other Income | 95,090 | 57,280 |
| TOTAL INCOME | <u>2,447,936</u> | <u>2,281,388</u> |
| EXPENSES | | |
| Staff Salaries & On-costs | 1,650,092 | 1,548,118 |
| General Operating Expenses | 124,259 | 100,858 |
| Project Expenses | 332,933 | 464,081 |
| Meetings & Events | 66,320 | 93,116 |
| Depreciation | 15,344 | 16,593 |
| Accounting Fees | 19,300 | 22,219 |
| Audit Fees | 2,400 | 2,200 |
| TOTAL EXPENSES | <u>2,210,648</u> | <u>2,247,185</u> |
| NET CURRENT YEAR SURPLUS (DEFICIT) | <u>237,288</u> | <u>34,203</u> |
| Total Other Comprehensive Income for the year | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF THE ENTITY | <u><u>237,288</u></u> | <u><u>34,203</u></u> |

This income statement should be read in conjunction with the accompanying notes to the accounts.

AUSTRALIAN ACCESS FEDERATION INCORPORATED

ABN 13 155 355 685

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017**

| | 2017 | 2016 |
|--------------------------------------|-------------------------|-------------------------|
| | \$ | \$ |
| ASSETS | | |
| Current Assets | | |
| Bank - Operating a/c | 7,457 | 75,976 |
| Bank – Online Saver a/c | 1,959,060 | 1,602,107 |
| Bank – US \$ a/c | 86,906 | 159,322 |
| Membership Debtors | 1,396,887 | 1,084,186 |
| Sundry Debtors | 25,635 | 29,353 |
| Total Current Assets | <u>3,475,945</u> | <u>2,950,944</u> |
| Non-Current Assets | | |
| Equipment at wdv | 19,921 | 32,340 |
| Rental Bond | 8,385 | - |
| Total Non-Current Assets | <u>28,306</u> | <u>32,340</u> |
| TOTAL ASSETS | <u><u>3,504,251</u></u> | <u><u>2,983,284</u></u> |
| LIABILITIES & EQUITY | | |
| Current Liabilities | | |
| Payables & Accrued Expenses | 247,703 | 263,404 |
| GST liability | 123,641 | 121,507 |
| Prepaid Income – AAF | 1,451,397 | 1,034,811 |
| Prepaid Income – ORCID | 479,911 | 486,916 |
| Project Income in Advance | 205,215 | 321,725 |
| Employee leave entitlements | 190,144 | 192,670 |
| Total Current Liabilities | <u>2,698,011</u> | <u>2,421,033</u> |
| Non-Current Liabilities | | |
| Employee leave entitlements | 48,681 | 41,980 |
| Total Non-Current Liabilities | <u>48,681</u> | <u>41,980</u> |
| TOTAL LIABILITIES | <u><u>2,746,692</u></u> | <u><u>2,463,013</u></u> |
| NET ASSETS | <u><u>757,559</u></u> | <u><u>520,271</u></u> |
| MEMBERS FUNDS | | |
| Retained Surplus | 757,559 | 520,271 |
| TOTAL MEMBERS FUNDS | <u><u>757,559</u></u> | <u><u>520,271</u></u> |

This statement of financial position should be read in conjunction with the accompanying notes to the accounts.

AUSTRALIAN ACCESS FEDERATION INCORPORATED

ABN 13 155 355 685

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

| | Note | 2017 \$ | 2016 \$ |
|--|-------------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Receipts from operating activities | | 2,643,832 | 2,821,587 |
| Interest received | | 19,842 | 14,711 |
| Payments to suppliers and employees | | (2,436,346) | (2,263,175) |
| Net cash provided by operating activities | 4(b) | <u>227,328</u> | <u>573,123</u> |
| Cash flows from investing activities | | | |
| Payments for plant & equipment | | (2,924) | (21,788) |
| Payment of Rental Deposit | | (8,385) | - |
| Net cash (used by) investing activities | | <u>(11,309)</u> | <u>(21,788)</u> |
| Net (Decrease)/Increase in cash held | | 216,019 | 551,335 |
| Cash at the beginning of the year | | 1,837,404 | 1,286,069 |
| Cash at the end of the year | 4(a) | <u><u>2,053,423</u></u> | <u><u>1,837,404</u></u> |

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

| | Retained Earnings \$ | Total \$ |
|------------------------------------|------------------------------------|-----------------------|
| Balance at 31 December 2015 | <u>486,068</u> | <u>486,068</u> |
| Net surplus (deficit) | 34,203 | 34,203 |
| Balance at 31 December 2016 | <u>520,271</u> | <u>520,271</u> |
| Net surplus (deficit) | 237,288 | 237,288 |
| Balance at 31 December 2017 | <u><u>757,559</u></u> | <u><u>757,559</u></u> |

The statement of cash flows and statement of changes in equity should be read in conjunction with the accompanying notes to the accounts.

AUSTRALIAN ACCESS FEDERATION INCORPORATED

ABN 13 155 355 685

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The Committee has determined that the Association is not a reporting entity because there are no users dependent on a general purpose financial report. The Association is a not-for-profit entity for Australian Accounting Standards.

The financial statements are special purpose financial statements prepared for the purpose of complying with the NSW Associations Incorporation Act 2009 and to satisfy the financial reporting requirements of the constitution and to meet the needs of the members of the Association.

The financial statements have been prepared on the basis of a Tier 1 association and the financial reporting exemptions provided by Class Order 11/01.

The Association is a medium registered charity and is subject to the ACNC reporting requirements.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Tier 1 association exemption provided by Class Order 11/01 and the significant accounting policies disclosed below, which the committee members have determined are appropriate to meet the needs of members.

The financial report, except for the statement of cash flows, is prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The amounts presented in the financial statements have been rounded to the nearest dollar.

The following is a summary of the significant accounting policies adopted by the Association in the preparation of the financial report. These policies are consistent with the previous year unless stated otherwise.

- (a) Income Tax:**
The income of the Association is exempt from income tax under Division 50-5 of Income Tax Assessment Act 1997
- (b) Income In Advance**
Income received for subscriptions from members and events which will occur in relation to the subsequent financial year are treated as income in advance
- (c) Income**
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
Income from the rendering of a service is recognised upon the delivery of the service to the customer or based on the stage of completion of the service delivery at the end of the financial year.
All revenue is stated net of the amount of goods and services tax.
- (d) Goods & Services Tax**
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.
- (e) Equipment**
Equipment is measured on the cost basis less depreciation and impairment losses.
Depreciation is calculated on a straight-line basis, over the useful lives of the assets to the Association commencing from the time the asset is held ready for use. The carrying amount of equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the depreciated replacement cost of the asset. Equipment that has been contributed at no cost, or for nominal cost, is valued at the fair value of the asset at the date it is acquired.

AUSTRALIAN ACCESS FEDERATION INCORPORATED

ABN 13 155 355 685

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(f) Impairment

At the end of each reporting date, the Association assesses whether there is any indication that an asset may be impaired. If such an indication exists, the recoverable amount of the assets, being the assets depreciated replacement costs, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expenses in the income statement.

(g) Staff Leave Entitlements

Liabilities for staff salaries and staff leave entitlements expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of staff services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

(h) Comparative Figures

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

(i) Critical Accounting Estimates and Judgments

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

(j) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods, some of which are relevant to the Association. The committee has decided not to early adopt any of the new and amended pronouncements. The committee's assessment of the new and amended pronouncements that are relevant to the Association but applicable in future reporting periods is set out below:

AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main change introduced by the new Standard is the recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets); This standard is not expected to have a significant impact on the Association's financial statements.

AASB 15: Revenue from Contracts with Customers (applicable to annual reporting periods beginning on or after 1 January 2018)

In regard to not-for-profit entities this new revenue recognition standard AASB 15 will be applicable only to exchange transactions with customers with performance obligations.

There are detailed disclosure requirements with regard to significant judgements in determining the timing of the satisfaction of performance obligations, the transaction price, amounts allocated to the performance obligations and the assets recognised from costs to obtain or fulfil a contract with a customer.

This standard is not expected to have a significant impact on the company's financial statements.

AASB 1058: Income of Not-for-Profit Entities (applicable to annual reporting periods beginning on or after 1 January 2019).

This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations.

AUSTRALIAN ACCESS FEDERATION INCORPORATED

ABN 13 155 355 685

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONTINUED

(j) The significant accounting requirements of AASB 1058 are as follows:

Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards.

Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards.

The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer.

An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.

The transitional provisions of this Standard permit an entity to either: restate the contracts that existed in each prior period presented in accordance with AASB 108 or recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. For this purpose, a completed contract is a contract or transaction for which the entity has recognised all of the income in accordance with AASB 1004 Contributions.

This standard is not expected to have a significant impact on the company's financial statements.

NOTE 2: ASSOCIATION DETAILS

The Australian Access Federation Incorporated is an incorporated association under the New South Wales legislation Associations Incorporation Act 2009.

The registered office of the Association is 10 Nyora Place, Jerrabomberra, NSW, 2619

The principal place of business of the association is Building 9, Banks Street, Yarralumla, ACT

NOTE 3: EVENTS AFTER THE REPORTING DATE

Since the end of the financial year there have been no material post balance date events that could affect the financial position and performance of the Association.

The financial report was authorised for issue on the date the Committee Report was signed and dated.

AUSTRALIAN ACCESS FEDERATION INCORPORATED

ABN 13 155 355 685

**NOTES TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

NOTE 4: CASH FLOW INFORMATION

| | 2017 | 2016 |
|--|------------------|------------------|
| (a) Reconciliation of Cash | \$ | \$ |
| Bank - Operating a/c | 7,457 | 75,976 |
| Bank – Online Saver a/c | 1,959,060 | 1,602,107 |
| Bank – US \$ a/c | 86,906 | 159,322 |
| Cash at the end of the year | <u>2,053,423</u> | <u>1,837,404</u> |
| (b) Reconciliation of the operating surplus to the net cash provided by operating activities:- | | |
| Operating surplus/(deficit) | 237,288 | 34,203 |
| Gain on disposal/write off of plant & equipment | | |
| Depreciation and amortisation | 15,344 | 16,593 |
| Movement in assets and liabilities:- | | |
| Decrease/(Increase) in receivables | (312,701) | (144,639) |
| Decrease/(Increase) in prepayments/ Other Debtors | 3,718 | 10,587 |
| (Decrease)/Increase in creditors/accruals | (13,567) | 88,172 |
| (Decrease)/Increase in prepaid income | 293,071 | 466,166 |
| (Decrease)/Increase in Employee liabilities | 4,175 | 102,041 |
| Net cash provided by operating activities | <u>227,328</u> | <u>573,123</u> |