

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia  
ABN 71 626 822 845**

**Financial Statements**

**For the Year Ended 30 June 2020**

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Contents**

**For the Year Ended 30 June 2020**

|  | Page |
|--|------|
| <b>Financial Statements</b>                                |      |
| Directors' Report  | 1    |
| Auditor's Independence Declaration                         | 4    |
| Statement of Profit or Loss and Other Comprehensive Income | 5    |
| Statement of Financial Position                            | 6    |
| Statement of Changes in Equity                             | 7    |
| Statement of Cash Flows                                    | 8    |
| Notes to the Financial Statements                          | 9    |
| Responsible Persons' Declaration                           | 24   |
| Independent Audit Report                                   | 25   |

# Federation of Australian Scientific and Technological Societies Incorporated Trading as Science & Technology Australia

ABN 71 626 822 845

## Directors' Report 30 June 2020

The directors present their report on Federation of Australian Scientific and Technological Societies Incorporated Trading as Science Technology Australia for the financial year ended 30 June 2020.

### General information

#### Directors

The names of each person who held a position as a member of the Board (Cluster Representatives) or Executive during the year ended 30 June 2020 or at the date of this statement were:

| Name                        | Position(s)   | Appointed/Resigned         |
|-----------------------------|---|----------------------------|
| <b>Continuing Directors</b> |   |                            |
| Prof. Adrian Barnett        | Mathematical Sciences Cluster Representative              |                            |
| Dr Damien Belobrajdic       | Agricultural & Food Sciences Cluster Representative       |                            |
| A/Prof. Jeremy Brownlie     | President-elect & President                               |                            |
| Prof. Rachel Burton         | Plant & Ecological Sciences Cluster Representative        |                            |
| Jasmine Chambers            | General Sciences Cluster Representative                   |                            |
| Marina Costelloe            | Geographical & Geological Sciences Cluster Representative |                            |
| Dr Tom Cresswell            | Chemical Sciences Cluster Representative                  |                            |
| Prof. Judith Dawes          | Treasurer   |                            |
| Prof. Eileen McLaughlin     | Biological Cluster Representative                         |                            |
| A/Prof. Branwen Morgan      | Technological Sciences Cluster Representative             |                            |
| A/Prof. Darren Saunders     | Secretary   |                            |
| Prof. Sharath Sriram        | Policy Committee Chair                                    |                            |
| A/Prof. Cathryn Trott       | Physical Sciences Cluster Representative                  |                            |
| A/Prof. Sumeet Walia        | Early Career Representative                               |                            |
| <b>Directors Appointed</b>  |   |                            |
| Mark Bazzacco               | Ordinary Member   | Appointed 25 November 2019 |
| Lee Constable               | Early Career Representative                               | Appointed 25 November 2019 |
| A/Prof. Chris Fulton        | Aquatic Sciences Representative                           | Appointed 24 October 2019  |
| Dr Karen Gregory            | Medical & Cognitive Sciences Representative               | Appointed 24 October 2019  |
| Tanya Ha                    | Vice President  | Appointed 25 November 2019 |
| Dr Kathy Nicholson          | General Sciences Cluster Representative                   | Appointed 24 October 2019  |
| Misha Schubert              | Chief Executive Officer                                   | Appointed 10 March 2020    |
| <b>Directors Resigned</b>   |   |                            |
| Kylie Ahern                 | General Sciences Cluster Representative                   | Resigned 24 October 2019   |
| Dr Katherine Dafforn        | Medical & Cognitive Sciences Representative               | Resigned 24 October 2019   |
| Dr Zoe Doubleday            | Early Career Representative                               | Resigned 25 November 2019  |
| Prof. Emma Johnston         | President   | Resigned 25 November 2019  |
| Prof. Rebecca Ritchie       | Medical & Cognitive Sciences Representative               | Resigned 24 October 2019   |
| Kylie Walker                | Chief Executive Officer                                   | Resigned 31 December 2019  |

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Directors' Report  
30 June 2020**

**Directors' Meetings**

The number of directors meetings held and number of meetings attended by each of the directors during the 2019/2020 financial year were:

|                                | Eligible to Attend | Attended |
|--------------------------------|--------------------|----------|
| <b>Executive Committee</b>     |                    |          |
| Dr Susan Barrell*              | 4                  | 4        |
| Mark Bazzacco*                 | 7                  | 5        |
| A/Prof. Jeremy Brownlie        | 11                 | 10       |
| Lee Constable*                 | 7                  | 5        |
| Prof. Judith Dawes             | 11                 | 10       |
| Dr Zoe Doubleday*              | 4                  | 3        |
| Tanya Ha*                      | 6                  | 6        |
| Prof. Emma Johnston*           | 4                  | 3        |
| A/Prof. Darren Saunders        | 11                 | 9        |
| Prof. Sharath Sriram           | 11                 | 9        |
| A/Prof. Sumeet Walia           | 11                 | 11       |
| <b>Cluster Representatives</b> |                    |          |
| Kylie Ahern*                   | 2                  | 1        |
| Prof. Adrian Barnett           | 5                  | 5        |
| Dr Damien Belobrajdic          | 5                  | 5        |
| Prof. Rachel Burton            | 5                  | 5        |
| Jasmine Chambers               | 5                  | 4        |
| Marina Costelloe               | 5                  | 4        |
| Dr Tom Cresswell               | 5                  | 4        |
| Dr Katherine Dafforn*          | 2                  | 1        |
| A/Prof. Chris Fulton*          | 3                  | 3        |
| Dr Karen Gregory*              | 3                  | 2        |
| Prof. Eileen McLaughlin        | 5                  | 4        |
| A/Prof. Branwen Morgan         | 5                  | 5        |
| Dr Kathy Nicholson*            | 3                  | 3        |
| Prof. Rebecca Ritchie*         | 2                  | 2        |
| A/Prof. Cathryn Trott          | 5                  | 4        |

\*Indicates director for part year only

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
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ABN 71 626 822 845

**Directors' Report  
30 June 2020**

**Principal activities**

The principal activities of the Association during the financial year were to advance the public good by advocating for the nation's science and technology workforce as its peak body; advancing public policy to support science in Australia; promoting public understanding of science; supporting equity, diversity and inclusion in STEM (science, technology, engineering and mathematics); building connections between STEM societies and disciplines; and encouraging scientific engagement between industry, Government, and the science and technology community.

**Significant changes**

No significant change in the nature of these activities occurred during the year.

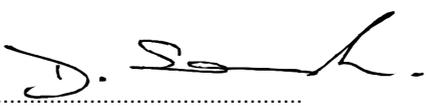
**Operating result**

The operating result of the Association for the financial year was a deficit of \$109,330, with the COVID-19 pandemic presenting significant financial challenges. In 2019 the association posted a deficit of \$231,226 due to the deferral of Science meets Parliament into the next financial year.

Signed in accordance with a resolution of the Board:

Board member: ...  .

A/Prof Jeremy Brownlie – STA President

Board member: .....  .

A/Prof Darren Saunders – STA Secretary

Dated this 28<sup>th</sup> day of October 2020

**Auditors Independence Declaration under Section 60-40 of the  
*Australian Charities and Not-for-profits Commission Act 2012*  
to the Responsible Persons of Federation of Australian  
Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

I declare that, to the best of my knowledge and belief, during the 12 months ended 30 June 2020 there have been:

- (i) no contraventions of the auditor independence requirements as set out in section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

VINCENTS



Josie-Marie Lopez  
Partner

28 October 2020

canberra. adelaide. brisbane. gold coast. melbourne. sydney

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**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Statement of Profit or Loss and Other Comprehensive Income  
For the Year Ended 30 June 2020**

|  |      | 2020               | 2019        |
|--|------|--------------------|-------------|
|  | Note | \$                 | \$          |
| Service income   | 5    | 798,321            | 673,995     |
| Grant income   | 5    | 235,381            | 417,203     |
| Other income   | 6    | 108,947            | 21,710      |
| <b>Total revenue and Other income</b>                  | 19   | <b>1,142,649</b>   | 1,112,908   |
| Staffing costs   |      | (799,123)          | (790,172)   |
| Event expenses   |      | (220,261)          | (261,476)   |
| Executive expenses                                     |      | (38,277)           | (83,528)    |
| Finance costs  |      | (51,344)           | (59,913)    |
| Multimedia expenses                                    |      | (56,869)           | (48,381)    |
| Depreciation and amortisation                          |      | (45,916)           | (5,623)     |
| Office administration and other expenses               |      | (37,182)           | (95,041)    |
| Lease finance cost                                     |      | (3,007)            | -           |
| <b>Total Expenses</b>                                  |      | <b>(1,251,979)</b> | (1,344,134) |
| <b>(Deficit)/ Surplus for the year</b>                 |      | <b>(109,330)</b>   | (231,226)   |
| <b>Other comprehensive income for the year</b>         |      | -                  | -           |
| <b>Total comprehensive (loss)/ income for the year</b> |      | <b>(109,330)</b>   | (231,226)   |

The accompanying notes form part of these financial statements.

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Statement of Financial Position**

**As at 30 June 2020**

|                                      | Note | 2020<br>\$       | 2019<br>\$       |
|--------------------------------------|------|------------------|------------------|
| <b>ASSETS</b>                        |      |                  |                  |
| CURRENT ASSETS                       |      |                  |                  |
| Cash and cash equivalents            | 7    | 1,280,560        | 1,805,447        |
| Trade and other receivables          | 8    | 27,524           | 43,203           |
| Other financial assets               | 10   | 34,821           | 52,594           |
| <b>TOTAL CURRENT ASSETS</b>          |      | <b>1,342,905</b> | <b>1,901,244</b> |
| NON-CURRENT ASSETS                   |      |                  |                  |
| Property, plant and equipment        | 9    | 8,689            | 8,404            |
| Right of Use assets                  | 14   | 53,469           | -                |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <b>62,158</b>    | <b>8,404</b>     |
| <b>TOTAL ASSETS</b>                  |      | <b>1,405,063</b> | <b>1,909,648</b> |
| <b>LIABILITIES</b>                   |      |                  |                  |
| CURRENT LIABILITIES                  |      |                  |                  |
| Trade and other payables             | 11   | 36,938           | 58,342           |
| Provisions                           | 12   | 21,877           | 34,351           |
| Unearned revenue                     | 13   | 547,278          | 665,512          |
| Lease liabilities                    | 15   | 35,428           | -                |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <b>641,521</b>   | <b>758,205</b>   |
| NON-CURRENT LIABILITIES              |      |                  |                  |
| Unearned revenue                     | 13   | 351,264          | 650,000          |
| Provisions                           | 12   | 4,463            | 8,246            |
| Lease liabilities                    | 15   | 23,948           | -                |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <b>379,675</b>   | <b>658,246</b>   |
| <b>TOTAL LIABILITIES</b>             |      | <b>1,021,196</b> | <b>1,416,451</b> |
| <b>NET ASSETS</b>                    |      | <b>383,867</b>   | <b>493,197</b>   |
| <b>EQUITY</b>                        |      |                  |                  |
| Retained earnings                    |      | 383,867          | 493,197          |
| <b>TOTAL EQUITY</b>                  |      | <b>383,867</b>   | <b>493,197</b>   |

The accompanying notes form part of these financial statements.

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Statement of Changes in Equity**  
**For the Year Ended 30 June 2020**

|  | 2020                  | 2019                  |
|--|-----------------------|-----------------------|
|  | \$                    | \$                    |
| <b>Balance at beginning of the year</b>      | <u>493,197</u>        | <u>724,423</u>        |
| Surplus/(deficit) attributable to the entity | (109,330)             | (231,226)             |
| <b>Balance at end of the year</b>            | <u><u>383,867</u></u> | <u><u>493,197</u></u> |

The accompanying notes form part of these financial statements.

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
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**Statement of Cash Flows  
For the Year Ended 30 June 2020**

|   | 2020               | 2019             |
|---|--------------------|------------------|
| Note  | \$                 | \$               |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>              |                    |                  |
| Receipts from government and others                       | 792,147            | 867,656          |
| Interest received   | 10,947             | 19,929           |
| Payments to suppliers and employees                       | (1,284,680)        | (1,570,488)      |
| Lease finance cost  | (3007)             | -                |
| Net cash provided by/(used in) operating activities       | <u>(484,593)</u>   | <u>(682,903)</u> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>              |                    |                  |
| Payment for properties, plant and equipment               | <u>(6,036)</u>     | <u>(13,451)</u>  |
| Net cash provided by/(used in) investing activities       | <u>(6,036)</u>     | <u>(13,451)</u>  |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>              |                    |                  |
| Repayment of finance lease liabilities-principal          | <u>(34,258)</u>    | -                |
| Net cash used in financing activities                     | <u>(34,258)</u>    | -                |
| Net increase/(decrease) in cash and cash equivalents held | (524,887)          | (696,354)        |
| Cash and cash equivalents at beginning of year            | <u>1,805,447</u>   | <u>2,501,801</u> |
| Cash and cash equivalents at end of financial year        | 7 <u>1,280,560</u> | <u>1,805,447</u> |

The accompanying notes form part of these financial statements.

# Federation of Australian Scientific and Technological Societies Incorporated Trading as Science & Technology Australia

ABN 71 626 822 845

## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 1 Basis of Preparation

The financial report covers Federation of Australian Scientific and Technological Societies Incorporated Trading as Science Technology Australia as an individual entity. The Federation of Australian Scientific and Technological Societies Incorporated Trading as Science Technology Australia is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Federation of Australian Scientific and Technological Societies Incorporated Trading as Science Technology Australia is Australian dollars.

The financial report was authorised for issue by those charged with governance on 28 October 2020.

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporation Act 1991* of the Australian Capital Territory (ACT).

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

### 2 Change in Accounting Policy

#### 2a Leases - Adoption of AASB 16

The Association has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations

#### Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

##### Association as a lessee

Under AASB 117, the Association assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Association or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short term leases and leases of low value assets).

The Association has recognised right-of-use assets of \$84,887 and lease liability of \$81,594 as at 1 July 2019, for leases previously classified as operating leases.

#### 2b Revenue from Contracts with Customers - Adoption of AASB 15

The Association has adopted AASB 15 Revenue from Contracts with Customers for the first time in the current year with a date of initial application of 1 July 2019.

# Federation of Australian Scientific and Technological Societies Incorporated Trading as Science & Technology Australia

ABN 71 626 822 845

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

The Association has applied AASB 15 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 118 and related interpretations and all adjustments on adoption of AASB 15 need to be taken to retained earnings at 1 July 2019. There was no impact to retained earnings on adoption of AASB 15 at 1 July 2019.

#### 2c Income of Not-for-Profit Entities- Adoption of AASB 1058

The Association has adopted AASB 1058 Income of Not-for-Profit Entities for the first time in the current year with a date of initial application of 1 July 2019.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, in conjunction with AASB 15. The new income recognition requirements shift the focus from a reciprocal/non-reciprocal basis to a basis of assessment that considers the enforceability of a contract and the specificity of performance obligations.

The core principle of the new income recognition requirements in AASB 1058 is when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives, the excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately.

Where there is an 'enforceable' contract with a customer with 'sufficiently specific performance obligations, income is recognised when (or as) the performance obligations are satisfied under AASB 15, as opposed to immediate income recognition under AASB 1058.

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. AASB 15 introduces a 5-step approach to revenue recognition, which is more prescriptive than AASB 118.

#### Impact of Adopting the new revenue Standards AASB 15 and AASB 1058

The Association has assessed the impact of adopting the new revenue standards and it was determined that the adoption of these new standards had no significant impact on the Association's current revenue streams. The new policies adopted by the Association are set out in Note 3c.

### 3 Summary of Significant Accounting Policies

#### 3a Income Tax

The financial report has been prepared on the basis that the Association is exempt from income tax under section 50-55 of the *Income Tax Assessment Act 1997*.

#### 3b Leases

*For comparative year*

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

*For current year*

At inception of a contract, the Association assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

## **Notes to the Financial Statements**

### **For the Year Ended 30 June 2020**

This involves an assessment of whether:

- the contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right, then there is no identified asset.
- the Association has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- the Association has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

#### **Lessee accounting**

The non-lease components included in the lease agreement are separated and are recognised as an expense as incurred.

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or the remeasurement is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### **Lessor accounting**

When the Association is a lessor, the lease is classified as either an operating or finance lease at inception date based on whether substantially all of the risks and rewards incidental to ownership of the underlying asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 *Revenue from Contracts with Customers*.

The lease income from operating leases is recognised on a straight line basis over the lease term. Finance income under a finance lease is recorded on a basis to reflect a constant periodic rate of return on the Association's net investment in the lease.

# Federation of Australian Scientific and Technological Societies Incorporated Trading as Science & Technology Australia

ABN 71 626 822 845

## Notes to the Financial Statements For the Year Ended 30 June 2020

### 3c Revenue and other income

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Association expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations; and
5. Recognise revenue as and when control of the performance obligations is transferred

None of the revenue streams of the Association have any significant financing terms as there is less than 1 months between receipt of funds and satisfaction of performance obligations.

#### **Specific revenue streams**

The Association recognises revenue from the following major sources;

#### **Interest income**

Interest income is recognised using the effective interest method.

#### **Other income**

Other income is recognised on an accruals basis when the Association is entitled to it.

#### **Grants and sponsorship income**

Grants and sponsorship where there is an enforceable contract with a customer with sufficiently specific performance obligations are accounted for under AASB 15, where by income is recognised as and when the performance obligations are satisfied.

Grants and sponsorship contracts that are not enforceable or where the performance obligations are not sufficiently specific, are accounted for under AASB 1058- where by income is recognized immediately on receipt.

#### **Registration income**

The Association's contract for the Registration income includes one performance obligation. The Association has concluded that revenue from registration should be recognised at the point in time when the event occurs.

Where payment is made upfront, a contract liability is recognised on receipt of the payment and recognised as revenue at a point in time when the event occurs.

#### **Membership fees**

The Association has concluded that the membership agreement includes one performance obligation which is essentially representing members interests when advocating with government, engaging industry, interacting with the scientific and technological community, and communicating with the public.

# Federation of Australian Scientific and Technological Societies Incorporated Trading as Science & Technology Australia

ABN 71 626 822 845

## Notes to the Financial Statements

### For the Year Ended 30 June 2020

The members simultaneously consume and receive the benefits as and when the services are provided by the Association and therefore revenue is recognised over time on a time proportionate basis over the period of the membership as the association's efforts or inputs are expended evenly throughout the performance period.

The terms of the Association's membership agreements either require that the members pay the fixed amount in instalments over the contract duration or payment in full upfront.

Where payment is made upfront, a contract liability is recognised on receipt of the payment and recognised as revenue as the services are provided.

Where payment is made in instalments, at the end of the reporting period, if the services rendered by the Association exceed the payments received, the Association recognises a contract asset. If the payments received exceed the services rendered, the Association recognises a contract liability.

All revenue is stated net of the amount of goods and services tax.

#### 3d Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

#### 3e Property, plant and equipment

Plant and equipment are carried at cost, less where applicable accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by management to ensure it is not in excess of the recoverable amount from these assets.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end.

##### Depreciation

The depreciable amount of all fixed assets are depreciated on a reducing balance basis over their useful lives to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

| Fixed asset class | Depreciation rate |
|-------------------|-------------------|
| Office Equipment  | 10 - 100%         |

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

##### Financial instruments

###### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

# Federation of Australian Scientific and Technological Societies Incorporated Trading as Science & Technology Australia

ABN 71 626 822 845

## Notes to the Financial Statements For the Year Ended 30 June 2020

### ***Classification***

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

### ***Amortised cost***

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

### ***Impairment of financial assets***

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

# Federation of Australian Scientific and Technological Societies Incorporated Trading as Science & Technology Australia

ABN 71 626 822 845

## Notes to the Financial Statements

For the Year Ended 30 June 2020

### *Trade receivables*

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

### *Other financial assets measured at amortised cost*

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

### **Financial liabilities**

The Association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables and unearned revenue.

### **3g Cash and cash equivalents**

Cash and cash equivalents comprises cash on hand and deposits held at call which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

### **3h Provisions**

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

### **3i Employee benefits**

#### **Short-term employee benefits**

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and annual leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The Association's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.

## **Notes to the Financial Statements**

**For the Year Ended 30 June 2020**

### **Other long-term employee benefits**

The Association classifies employees' long service leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the Association's obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligations is recognised in profit or loss classified under employee benefits expense.

The Association's obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current liabilities.

### **Defined contribution superannuation benefits**

All employees of the Association receive defined contribution superannuation entitlements, for which the Association pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund of choice. All contributions in respect of employee's defined contributions entitlements are recognised as an expense when they become payable. The Association's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Association's statement of financial position.

### **3j Adoption of new and revised accounting standards**

The Association has adopted all standards which became effective for the first time for the year ended 30 June 2020. Refer to Note 2 for details of the changes due to standards adopted.

### **4 Critical Accounting Estimates and Judgments**

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

#### **Key estimates - impairment of property, plant and equipment**

At each reporting date, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. As a not-for-profit entity, value in use, according to AASB 136 Impairment of Assets, is depreciated replacement cost. Any excess of the asset's carrying value over its recoverable amount is recognised in the statement of profit or loss and other comprehensive income as an impairment loss.

#### **Key estimates - provisions**

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**Key estimates – receivables**

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

**5 Revenue and Other Income**

**Revenue from continuing operations**

|                                      | <b>2020</b>      | <b>2019</b> |
|--------------------------------------|------------------|-------------|
|                                      | <b>\$</b>        | <b>\$</b>   |
| <b>Grants</b>                        |                  |             |
| - Department of Industry grants      | <b>235,381</b>   | 417,203     |
|                                      | <b>235,381</b>   | 417,203     |
| <b>Service revenue</b>               |                  |             |
| - Member subscriptions               | <b>278,126</b>   | 267,161     |
| - Registrations                      | <b>111,692</b>   | 166,277     |
| - Sponsorships                       | <b>394,867</b>   | 217,298     |
| - Workshops                          | <b>13,636</b>    | 23,259      |
|                                      | <b>798,321</b>   | 673,995     |
| <b>Total Revenue from operations</b> | <b>1,033,702</b> | 1,091,198   |

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**6 Other Income**

|   | <b>2020</b>    | <b>2019</b> |
|---|----------------|-------------|
|   | <b>\$</b>      | <b>\$</b>   |
| - Interest income                         | <b>10,947</b>  | 17,930      |
| - Miscellaneous income                    | -              | 3,780       |
| -Government assistance schemes (COVID 19) | <b>98,000</b>  | -           |
| <b>Total Other income</b>                 | <b>108,947</b> | 21,710      |

**7 Cash and Cash Equivalents**

|  |                  |           |
|--|------------------|-----------|
| Cash at bank and in hand               | <b>592,664</b>   | 1,129,581 |
| Short-term deposits                    | <b>687,896</b>   | 675,866   |
| <b>Total Cash and Cash Equivalents</b> | <b>1,280,560</b> | 1,805,447 |

**8 Trade and Other Receivables**

CURRENT

|  |               |        |
|--|---------------|--------|
| Trade receivables                        | <b>27,524</b> | 43,203 |
| <b>Total Trade and other receivables</b> | <b>27,524</b> | 43,203 |

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

**9 Property, plant and equipment**

Office equipment

|                                  |                 |         |
|----------------------------------|-----------------|---------|
| Office equipment at cost         | <b>23,671</b>   | 17,634  |
| Accumulated depreciation         | <b>(14,982)</b> | (9,230) |
| Total                            | <b>8,689</b>    | 8,404   |
| <b>Total plant and equipment</b> | <b>8,689</b>    | 8,404   |

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**9a 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:

|                                       | 2020          | 2019          |
|---------------------------------------|---------------|---------------|
|                                       | \$            | \$            |
| <b><u>Office equipment</u></b>        |               |               |
| Opening balance                       | 8,404         | 1,755         |
| Additions                             | 6,037         | 13,451        |
| Disposals/discard                     | -             | (1,179)       |
| Depreciation                          | (5,751)       | (5,623)       |
| <b>Balance at the end of the year</b> | <b>8,689</b>  | <b>8,404</b>  |
| <b>10 Other Financial Assets</b>      |               |               |
| CURRENT                               |               |               |
| Prepayments                           | 21,534        | 37,310        |
| Accrued interest                      | 2,306         | 4,416         |
| Rental bond                           | 10,981        | 10,868        |
| <b>Total other financial Assets</b>   | <b>34,821</b> | <b>52,594</b> |
| <b>11 Trade and Other Payables</b>    |               |               |
| Trade creditors and accruals          | 9,835         | 32,375        |
| Employee benefits payable             | 12,139        | 1,672         |
| GST payable to ATO                    | 14,964        | 24,295        |
| <b>Total trade and other Payables</b> | <b>36,938</b> | <b>58,342</b> |

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Employee benefits payable include accrued wages and superannuation payable.

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**12 Provisions**

|                                    | 2020          | 2019          |
|------------------------------------|---------------|---------------|
|                                    | \$            | \$            |
| CURRENT                            |               |               |
| Annual leave                       | 21,877        | 34,351        |
| <b>Total current provision</b>     | <b>21,877</b> | <b>34,351</b> |
| NON-CURRENT                        |               |               |
| Long service leave                 | 4,463         | 8,246         |
| <b>Total non current provision</b> | <b>4,463</b>  | <b>8,246</b>  |

**13 Unearned revenue**

|   |                |                |
|---|----------------|----------------|
| CURRENT                                   |                |                |
| Government grants                         | 422,000        | 328,645        |
| Revenue received in advance               | 125,278        | 336,867        |
| <b>Total current unearned revenue</b>     | <b>547,278</b> | <b>665,512</b> |
| NON-CURRENT                               |                |                |
| Government grants                         | 321,264        | 650,000        |
| Revenue received in advance               | 30,000         | -              |
| <b>Total non current unearned revenue</b> | <b>351,264</b> | <b>650,000</b> |

**14 Right of Use assets**

|                                       |               |          |
|---------------------------------------|---------------|----------|
| NON CURRENT                           |               |          |
| Balance at the beginning of the year  | -             | -        |
| Change due to adoption of AASB 16     | 84,887        | -        |
| Addition due to lease reassessment    | 8,747         | -        |
| Depreciation charge                   | (40,165)      | -        |
| <b>Balance at the end of the year</b> | <b>53,469</b> | <b>-</b> |

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Notes to the Financial Statements  
For the Year Ended 30 June 2020**

**15 Lease liabilities**

|  | 2020          | 2019     |
|--|---------------|----------|
|  | \$            | \$       |
| CURRENT                                  |               |          |
| Lease liabilities                        | 35,428        | -        |
| <b>Total current lease liability</b>     | <b>35,428</b> | <b>-</b> |
| NON-CURRENT                              |               |          |
| Lease liabilities                        | 23,948        | -        |
| <b>Total non current lease liability</b> | <b>23,948</b> | <b>-</b> |

**16 Key Management Personnel Remuneration**

**Details of key managerial personnel**

|                                     |  |                           |
|-------------------------------------|--|---------------------------|
| Professor Adrian Barnett            | Associate Professor Branwen Morgan     | Ms. Tanya Ha              |
| Dr. Damien Belobrajdic              | Associate Professor Darren Saunders    | Ms. Misha Schubert        |
| Associate Professor Jeremy Brownlie | Associate Professor Cathryn Trott      | Ms Kylie Ahern            |
| Professor Rachel Burton             | Associate Professor Sumeet Walia       | Dr. Katherine Dafforn     |
| Ms. Jasmine Chambers                | Associate Professor Christopher Fulton | Professor Rebecca Ritchie |
| Ms. Marina Costelloe                | Dr. Karen Gregory                      | Dr Susan Barrell          |
| Dr. Thomas Cresswell                | Dr. Kathleen Nicholson                 | Dr. Zoe Doubleday         |
| Professor Judith Dawes              | Mr. Mark Bazzacco                      | Professor Emma Johnston   |
| Professor Eileen McLaughlin         | Ms. Lee Constable                      | Ms Kylie Walker           |

Remuneration paid to the key management personnel during the year are as follows:

|                              | 2020           | 2019           |
|------------------------------|----------------|----------------|
|                              | \$             | \$             |
| Short-term employee benefits | 163,284        | 200,719        |
| Post employment benefits     | 15,594         | 22,228         |
|                              | <b>178,878</b> | <b>222,947</b> |

# Federation of Australian Scientific and Technological Societies Incorporated Trading as Science & Technology Australia

ABN 71 626 822 845

## Notes to the Financial Statements

For the Year Ended 30 June 2020

### 17 Contingencies

In the opinion of those charged with governance, the Association did not have any contingencies at 30 June 2020 (30 June 2019: None).

### 18 Related Parties

*Related party transactions*

#### 18a Transactions with related parties

Related parties comprise the key managerial personnel. In addition to the Key managerial personnel remuneration as disclosed in Note 14, other transactions between related parties usually include routine membership fees and reimbursement of expenses which are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated and hence do not require separate disclosure.

No additional related party transactions occurred during the 19-20 financial year. In the prior period there was one additional transaction of \$16,500 in relation to STEM Matters.

### 19 Events after the end of the Reporting Period

The financial report was authorised for issue on 28 October 2020 by those charged with governance.

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

### 20 Impacts of COVID 19

Science & Technology Australia (STA) management has provided the auditor with all relevant information and access about the impact of COVID-19, and about Board-approved responses and plans as a result of COVID-19 that may affect STA's assets and liabilities.

The STA Board has assessed there has been a financial and business impact on STA's business due to the COVID-19 event. STA moved its staff to working from home arrangements from the start of the pandemic. STA experienced significant reductions in revenue and qualified and assessed Cash Boost, JobKeeper Subsidies and Rent Relief under the Government economic stimulus measures. STA's events continue to be affected by the official restrictions on gatherings to reduce virus transmission risk, with events now being delivered online.

The impact of COVID-19 has been raised and considered by STA's Board, Executive and Finance Audit & Risk committee at every meeting throughout the pandemic. Consideration has been given to different delivery models for key events to limit the financial impact on STA. Additionally, the board has considered the impact of the COVID-19 pandemic on its member organisations and their ability to pay membership fees in full at the start of 2020-21 financial year. STA has been in contact with key partners to maintain funding and has been able to deliver contracted services to meet its contracts and funding arrangements by moving activities online.

The Association had \$1.28 million in cash and cash equivalents as at 30 June 2020 of which \$0.89 million (refer Note 13) is already earmarked to be spent on specific Commonwealth programs, other projects and sponsorship events going forward. Of this amount, \$0.54 million is expected to be spent in the next 12 months. Post 30 June 2020, the Association has also received a \$0.2 million grant from the Department of Industry, Science, Energy and Resources to enable STA to run Science meets Parliament in early 2021. The current cash position and secured future funding will be sufficient to meet the ongoing office administrative and other expenses of the Association in the foreseeable 12 months from the date of signing of these financial statements.

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Notes to the Financial Statements**

**For the Year Ended 30 June 2020**

**21 Statutory Information**

The registered office and principal place of business of the association is:

Unit 3, 8 Phipps Close, Deakin

**22 Comparative Information**

The classification of comparative figures has been changed where the change improves the understandability of the financial information.

**Federation of Australian Scientific and Technological Societies Incorporated Trading as  
Science & Technology Australia**

ABN 71 626 822 845

**Responsible Persons' Declaration**

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person



A/Prof Jeremy Brownlie – STA President

Responsible person



A/Prof Darren Saunders – STA Secretary

Dated 28 October 2020

## Independent Audit Report to the members of the Federation of Australian Scientific and Technological Societies Incorporated Trading as Science & Technology Australia

### Report on the Audit of the Financial Report

We have audited the financial report of the Federation of Australian Scientific and Technological Societies Incorporated trading as Science & Technology Australia (the registered entity), which comprises the statement of profit or loss and other comprehensive income, the statement of financial position as at 30 June 2020, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the financial report of Science & Technology Australia has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2020 and of its financial performance for the year ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

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

### Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the bases of accounting. The financial report has been prepared for the purpose of fulfilling the registered entity's financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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## **Responsibilities of Responsible Entities for the Financial Report**

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw



attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with responsible entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

VINCENTS

Josie-Marie Lopez  
Partner

Canberra, 28 October 2020