

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 2018

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STATEMENT BY THE BOARD

1. 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 2018 or at the date of this statement were:

Board and Executive Committee

Ms Kylie Walker
Associate Professor Coral Warr
Dr Dianne Jolley
Dr Duanne White
Professor Geoff Prince
Professor Andrew Peele
Associate Professor Ulrike Mathesius
Peter Elford
Professor Brian Yates
Ms Tanya Ha
Professor Emma Johnston
Professor Rebecca Ritchie
Dr Jeremy C Brownlie
Dr Darren Saunders
Dr Zoe Doubleday
Dr Cathy Foley
Dr Katherine Dafforn
Dr Alan Duffy
Professor Judith Dawes
Professor Ross Thompson (until 1/10/2017)
Emeritus Professor Jim Piper (until 30/11/2017)
Dr Francine Marques (until 30/11/2017)
Mr Stephen Horn (until 27/11/2017)

2. The principal activities of the Association during the financial year were to encourage scientific dialogue between industry, Government and the Science and Technology community; to promote public understanding of science; and to foster close relations between the member societies.
3. The operating result of the Association for the year ended 30 June 2018 was a surplus of \$9,863 (2017: \$135,023).
4. In the opinion of the Board, the financial statements are drawn up so as to give a true and fair view of the performance of the Association for the year ended 30 June 2018 and the financial position of the Association as at that date. The financial statements of the Association are made out in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board, the Australian Charities and Not-For-Profit Commission Act 2012 and the requirements of the *Associations Incorporation Act 1991* of the Australian Capital Territory.
5. In the opinion of the Board, the Association will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Board.

Signature

.....
(Board member)

..... day of October 2018

**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 2018

	Note	<u>2018</u>	<u>2017</u>
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	2,501,801	1,105,867
Trade and other receivables	5	4,110	3,403
Other assets	6	<u>25,832</u>	<u>22,143</u>
TOTAL CURRENT ASSETS		<u>2,531,743</u>	<u>1,131,413</u>
NON CURRENT ASSETS			
Property, plant and equipment	7	<u>1,755</u>	<u>3,405</u>
TOTAL NON CURRENT ASSETS		<u>1,755</u>	<u>3,405</u>
TOTAL ASSETS		<u>2,533,498</u>	<u>1,134,818</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	193,536	39,786
Provisions	9	32,706	18,932
Unearned revenue	10	<u>1,581,139</u>	<u>360,834</u>
TOTAL CURRENT LIABILITIES		<u>1,807,381</u>	<u>419,552</u>
NON CURRENT LIABILITIES			
Provisions	9	<u>1,694</u>	<u>706</u>
TOTAL NON CURRENT LIABILITIES		<u>1,694</u>	<u>706</u>
TOTAL LIABILITIES		<u>1,809,075</u>	<u>420,258</u>
NET ASSETS		<u>724,423</u>	<u>714,560</u>
EQUITY			
Retained Earnings		<u>724,423</u>	<u>714,560</u>
TOTAL EQUITY		<u>724,423</u>	<u>714,560</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 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	<u>2018</u>	<u>2017</u>
		\$	\$
Revenue	2	1,152,264	861,113
Other Income	2	<u>14,117</u>	<u>14,867</u>
Total Revenue and Other Income		<u>1,166,381</u>	<u>875,980</u>
Staffing costs		(636,786)	(389,897)
Board Expenses		(28,744)	(23,958)
Consultant Fees - non project		(22,092)	(15,275)
Occupancy Costs		(33,143)	(33,468)
Project related expenditure (excluding salary / administration allocations)	3(a)	(337,306)	(216,962)
Depreciation	3(b)	(1,650)	(3,264)
Audit and Accounting Fees		(13,876)	(8,040)
Other expenses		<u>(82,921)</u>	<u>(50,093)</u>
Total expenses		<u>(1,156,518)</u>	<u>(740,957)</u>
Surplus/(deficit) for the year		<u>9,863</u>	<u>135,023</u>
Other comprehensive income		-	-
Total comprehensive income		<u>9,863</u>	<u>135,023</u>

The accompanying notes form part of these financial statements.

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	Note	<u>2018</u> \$	<u>2017</u> \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from government & others		2,608,384	953,395
Interest received		14,131	15,276
Payments to suppliers and employees		<u>(1,226,581)</u>	<u>(824,767)</u>
Net cash generated from operating activities		<u>1,395,934</u>	<u>143,904</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		<u>-</u>	<u>-</u>
Net cash used in investing activities		<u>-</u>	<u>-</u>
Net increase in cash held		1,395,934	143,904
Cash and cash equivalents at beginning of the financial year		1,105,867	961,963
Cash and cash equivalents at end of financial year	4	<u><u>2,501,801</u></u>	<u><u>1,105,867</u></u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018**

	Retained Earnings \$	Total \$
Balance at 1 July 2016	579,537	579,537
Surplus / (deficit) attributable to the entity	135,023	135,023
Balance at 30 June 2017	<u>714,560</u>	<u>714,560</u>
Surplus / (deficit) attributable to the entity	9,863	9,863
Balance at 30 June 2018	<u><u>724,423</u></u>	<u><u>724,423</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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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1: Summary of Significant Accounting Policies

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB), the *Australian Charities and Not-For-Profit Commission Act 2012* and the *Associations Incorporation Act 1991* of the Australian Capital Territory (ACT). The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

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. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, 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.

The financial report of the Association was authorised for issue on the date of signing of the attached Statement by the Board.

Accounting Policies

(a) 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*.

(b) 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 assets are:

<u>Class of fixed asset</u>	<u>Depreciation Rate</u>
Office Equipment	10 – 100%

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1: Statement of Accounting Policies (continued)

(d) Revenue Recognition

Government funding

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Membership fees

Revenue is recognised as income upon receipt.

Interest revenue

Revenue is recognised when there is a right to receive the interest payment.

Other income (non-grant related)

All other sources of income are brought to account as income when the related goods or services have been provided and the income earned.

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

(e) Provisions

Provisions are recognised when the Association has a legal, equitable or constructive obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

(f) 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.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1: Statement of Accounting Policies (continued)

(f) Employee Benefits (continued)

Retirement benefit obligations

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.

(g) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Association are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are amortised on a reducing balance basis over their estimated useful lives, where it is likely that the Association will obtain ownership of the asset, or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the year in which they are incurred.

(h) Comparative Information

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

(i) Goods and Service 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 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 expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

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

(j) Impairment

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 1: Statement of Accounting Policies (continued)

(k) Critical accounting estimates and judgements

The Board evaluate estimates and judgements 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.

Key estimates - Impairment

The Association assesses impairment at each reporting date by evaluating conditions specific to the Association that may lead to impairment of assets. Should an impairment indicator exist, the determination of the recoverable amount of the asset may require incorporation of a number of key estimates. No impairment indicators were present at 30 June 2018.

(l) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Note 2: Revenue and Other Income		
Revenue		
Revenue from government grants		
- Department of Industry Grants	511,495	383,118
	<u>511,495</u>	<u>383,118</u>
<i>Other revenue</i>		
- Membership Subscriptions	237,260	200,423
- Conference Revenue	403,509	277,572
	<u>640,769</u>	<u>477,995</u>
Total Revenue	<u><u>1,152,264</u></u>	<u><u>861,113</u></u>
Other Income		
Interest	14,103	14,380
Other	14	487
Total Other Income	<u>14,117</u>	<u>14,867</u>
Total Revenue and Other Income	<u><u>1,166,381</u></u>	<u><u>875,980</u></u>
Note 3: Profit/(Loss) for the Year		
<i>(a) Department of Industry Grant subsidised project expenditure</i>		
Engaging State Parliament	2,274	-
National Science Week	15,057	14,726
Parliamentary Friends of Science	6,651	8,159
Science meets Business 2016	-	40,896
Science meets Business 2017	27,328	2,661
Science meets Business 2018	6,936	-
Science meets Parliament 2017	-	146,107
Science meets Parliament 2018	172,460	222
Science meets Parliament 2019	1,198	-
Science meets Policymakers 2018	13,237	2,073
STEM Communicator Workshop	9,039	-
Superstars of STEM	83,126	2,118
Total Project Expenditure	<u>337,306</u>	<u>216,962</u>
<i>(b) Expenses</i>		
Depreciation of non-current assets		
- Office Equipment	1,650	3,264
	<u>1,650</u>	<u>3,264</u>
Note 4: Cash and Cash Equivalents		
NAB Cheque Account	1,689,099	457,265
NAB Term Deposits	662,221	648,530
Savings Account	150,426	0
Petty Cash	55	72
	<u>2,501,801</u>	<u>1,105,867</u>

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Note 5: Trade and Other Receivables		
CURRENT		
Trade receivables	4,110	2,750
GST receivable from the ATO	-	653
	<u>4,110</u>	<u>3,403</u>
Note 6: Other Assets		
CURRENT		
Prepayments	21,673	17,970
Accrued Interest	4,159	4,173
	<u>25,832</u>	<u>22,143</u>
Note 7: Property, Plant and Equipment		
Office Equipment - at cost	21,828	21,828
Accumulated depreciation	<u>(20,073)</u>	<u>(18,423)</u>
	<u>1,755</u>	<u>3,405</u>

Movements in carrying amounts

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

Office Equipment

Opening balance	3,405	6,870
Additions	-	-
Disposals	-	(201)
Depreciation	<u>(1,650)</u>	<u>(3,264)</u>
Closing balance	<u>1,755</u>	<u>3,405</u>

Note 8: Payables

	Note		
CURRENT			
Trade creditors and accruals	(a)	19,195	24,674
Employee benefits payable	(b)	1,654	15,112
GST payable to the ATO		<u>172,687</u>	-
		<u>193,536</u>	<u>39,786</u>

(a) Trade creditors are unsecured.

(b) Employee benefits payable include accrued wages, salaries and on-costs, superannuation payable and PAYG withholding tax.

Note 9: Provisions

CURRENT			
Annual leave		<u>32,706</u>	<u>18,932</u>
NON CURRENT			
Long service leave		<u>1,694</u>	<u>706</u>

(a) Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Association does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Association does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave vesting is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(f).

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	<u>2018</u>	<u>2017</u>
	\$	\$
Note 10: Unearned Revenue		
Unexpended Grants	1,377,998	341,643
Revenue in Advance	<u>203,141</u>	<u>19,191</u>
	<u><u>1,581,139</u></u>	<u><u>360,834</u></u>

Note 11: Economic Dependency

The continued operation of the Association is reliant on the current and future financial support provided by the Department of Industry, Innovation and Science.

Note 12: Key Management Personnel

a) Details of key management personnel

(i) Board Members

The names of each person who held a position on the Board of the Association at any time during the year ended 30 June 2018 were:

Ms Kylie Walker	Dr Jeremy C Brownlie
Associate Professor Coral Warr	Dr Darren Saunders
Dr Dianne Jolley	Dr Zoe Doubleday
Dr Duanne White	Dr Cathy Foley
Professor Geoff Prince	Dr. Katherine Dafforn
Professor Andrew Peele	Dr Alan Duffy
Associate Professor Ulrike Mathesius	Professor Judith Dawes
Peter Elford	Professor Ross Thompson (until 1/10/2017)
Professor Brian Yates	Emeritus Professor Jim Piper (until 30/11/2017)
Ms Tanya Ha	Dr Francine Marques (until 30/11/2017)
Professor Emma Johnston	Mr Stephen Horn (until 27/11/2017)
Professor Rebecca Ritchie	

b) Compensation of key management personnel

No Board members receive any remuneration from the Association or any related entities in connection with the management of the Association. The following remuneration was provided to key management personnel of the Association:

	<u>2018</u>	<u>2017</u>
	\$	\$
Short term benefits	<u><u>211,903</u></u>	<u><u>193,135</u></u>

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Note 13: Related Parties

Related party transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties during 2017-18:

Key Management Personnel	Organisation (Description of transactions)		
Ms Tanya Ha	ARC Centre of Excellence (Membership Fees and event sponsorship)	\$	18,576
Professor Brian Yates	Australian Council of Deans of (Membership fees and cost reimbursement)	\$	6,014
Professor Andrew Peele	Australian Institute of Nuclear Science (Membership fees)	\$	7,851
Professor Andrew Peele	Australian Institute of Physics (Membership fees)	\$	4,118
Dr Cathy Foley	CSIRO (Membership fees, event sponsorship, staff training workshop)	\$	28,196

Note 14: Association Details

The Association's formal objectives are to encourage scientific dialogue between industry, Government, and the Science and Technology community; to promote public understanding of science; and to foster close relations between the member societies.

The Association is incorporated in the Australian Capital Territory under the Associations Incorporation Act 1991 (Association No. A 1367) and a registered charity under the Australian Charities and Not-for-profit Commission Act 2012.

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

Unit 3
8 Phipps Close
Deakin

Note 15: Financial Risk Management

The Association's principal financial instruments comprise cash at bank, receivables and accounts payable. These financial instruments arise from the operations of the Association.

The carrying amount for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	<u>2018</u>	<u>2017</u>
	\$	\$
Financial Assets		
Cash and cash equivalents	2,501,801	1,105,867
Receivables	4,110	3,403
Total Financial Assets	<u>2,505,911</u>	<u>1,108,617</u>
Financial Liabilities		
Financial liabilities at amortised cost		
Payables	193,536	39,786
Total Financial Liabilities	<u>193,536</u>	<u>39,786</u>

Note 16: Subsequent Events

The Board are not aware of any matter or circumstance that has arisen since the balance date that has significantly affected the state of affairs of the Association.