

ALTERNATIVE TECHNOLOGY ASSOCIATION INC

ABN: 57 533 056 318

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2016**

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318

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ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318

TREASURER'S REPORT

The Treasurer presents his report together with the financial report of the economic entity comprising the Alternative Technology Association Inc and the Renewable Energy Development Trust (ATA) for the financial year ended 30 June 2016.

Principal Activities

The Alternative Technology Association (ATA) is a not-for-profit organisation that enables, represents and inspires people to live sustainably in their homes and communities. Established in 1980, the ATA provides expert, independent advice on sustainable solutions for the home to households, government and industry. ATA also conducts research on sustainable technologies and practices and advocates to government to make it easier for other Australians to live sustainably.

The ATA delivers in four main business areas:

- **Membership services.** As of 30 June 2016, ATA has 12 active branches across Australia and 5,966 members who are actively creating a sustainable future in their own homes and communities. The ATA provides an online and over the phone advice service for members, member discounts from the ATA Webshop and other suppliers.
- **Communications.** ATA provides independent information on sustainable solutions through our magazines ReNew: technology for a sustainable future and Sanctuary: modern green homes, as well as our websites and online tools, conducting events such as Speed Date a Sustainability Expert and Sustainable House Day, and promoting good news stories through mainstream and social media.
- **Advocacy & Projects.** ATA advocates in government and industry arenas for policies that support household sustainability. ATA conducts research into new and emerging technologies and associated consumer behaviour. We also provide consultancy services based on our technical expertise in energy, water, transport and communications.
- **International Projects.** Since 2003, ATA volunteers have been assisting remote communities access sustainable technologies. The ATA has completed renewable energy projects in East Timor, PNG and Vanuatu. We have a strong commitment to capacity building and training and a focus on the poorest rural communities.

Directors

The names of any Directors in office at any time throughout the year or since the end of the financial year are:

		Board member since:	
Ralf Thesing		2009	Retired Nov 2015
Usha Iyer-Raniga		2009	Retired Nov 2015
John Bailey	Treasurer	2012	
Clint Steele		2012	
Dave Adams	Vice President	2013	
Russell Anderson	Secretary	2013	
Neil Salisbury		2013	Retired Apr 2016
Scott Morgan		2013	Retired Nov 2015
Helen Millicer	President	2013	
Phillip Jenkins		2014	
Katherine Dean		2014	Retired Apr 2016
Gerlinde Scholz		2015	Appointed Nov 2015
Grant Dowie		2015	Appointed Nov 2015
Chris Howe		2015	Appointed Nov 2015

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TREASURER'S REPORT

Board meetings

The number of Board meetings (including meetings of committees of the Board) and number of meetings attended by each of the Directors of the ATA during the financial year are:

	<u>Board Meeting</u>		<u>Committee:</u>		<u>Governance & Risk</u>		<u>Strategy, Development & Fundraising</u>	
	A	B	A	B	A	B	A	B
			Finance					
Ralf Thesing	2	3	1	3	1	1	-	-
Usha Iyer-Raniga	2	3	-	-	-	-	1	1
John Bailey	8	8	9	10	-	-	-	-
Clint Steele	8	8	8	10	-	-	-	-
Dave Adams	7	8	-	-	2	2	-	-
Russell Anderson	8	8	1	1	2	2	-	-
Neil Salisbury	4	6	-	-	1	2	-	-
Scott Morgan	2	3	-	-	-	-	-	-
Helen Millicer	8	8	-	-	-	-	3	3
Phillip Jenkins	6	8	3	6	-	-	2	3
Katherine Dean	4	7	-	-	-	-	1	1
Gerlinde Scholz	5	5	-	-	-	-	2	2
Grant Dowie	5	5	6	6	-	-	2	2
Chris Howe	4	5	-	-	-	-	2	2

A - Number of meetings attended

B - Number of meetings held during the time the Director held office during the year

Review and Results of Operations

The loss for the financial year amounted to \$(12,064) (2015: \$87,623 profit).

The ATA has been successful in continuing to diversify its income streams, managing to replace (publications) and in other areas improve (donations, projects, events and memberships) revenue resulting in an overall increase in revenue. We continue to take a conservative approach to expansion and this year have commenced strategic programs to secure new and improve existing revenue streams to help ameliorate the downward pressure we are experiencing on our publications revenue channels. Our membership levels are continuing to climb and are at an all time high. ATA has been successful during the year in sourcing grant funding for ATA projects by building on our relationship with a number of philanthropic and grant-funding organisations. The \$250,000 Google grant we received in 2014 as part of their Google Impact Challenge has led to increased activity in East Timor, which has led to an increase in donations. Over 500 of our solar Village Lighting Systems will be installed in the coming financial year. The ATA's ongoing partnership with Bank Australia has continued to evolve and now includes commissions for ATA members who move their lending to Bank Australia. Other aspects of this partnership include sponsorship of our Sustainable House Day event, advertising in our magazines and donations to our community partnership, the Community Climate Chest.

Whilst our strong governance, project management systems and continued process efficiency focus have kept tight control on our costs, new strategic initiatives and investments were commenced during the year and have led to the financial performance of the ATA underperforming our budget by \$57,649 during the current year. Our retained surplus balance as at 30 June 2016 was \$307,884, and our cash at bank position was \$834,647.

Our budget for 2016-17 has been prepared using a conservative approach and includes a continuation of strategic investments initiated in 2015-16. The 2016-17 budget is a loss of \$152,617, but includes a stretch target scenario of \$54,373 loss. Our 2017-18 Plan currently projects a return to profit of \$36,430 reflecting returns from strategic investments currently being undertaken.

TREASURER'S REPORT

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the ATA during the year.

Events Subsequent to Balance Date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the Board, to affect substantially the operations of the ATA, the results of those operations, or the state of affairs of the ATA in subsequent financial years.

Likely Developments

The Board is confident that the ATA will continue to maintain a satisfactory level of operations, realising sufficient income to continue a high level of promotion of renewable energy and sustainable living.

Voluntary Staff

The ATA accepts the generous help of volunteers in the provision of it's services. The ATA, as a responsible employer, holds Personal Accident Insurance Policies which specifically includes coverage of volunteers. The ATA would like to express it's gratitude to these volunteers.

Signed in accordance with a resolution of the Members of the Board.

Treasurer
John Bailey
Melbourne

Dated: 6th October 2016

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
	\$	\$
REVENUES		
Publications	477,070	520,650
Project management	559,257	418,925
Sales - books	15,824	24,542
Sales - technical	39,099	38,501
Membership & subscription fees	602,196	567,522
Donations	338,227	258,089
Other income	33,995	14,869
TOTAL REVENUE	2,065,668	1,843,098
Cost of sales	(45,204)	(49,784)
Employee benefits expense	(1,158,698)	(1,084,203)
Administrative expenses	(293,350)	(101,725)
Occupancy expenses	(30,475)	(31,299)
Bad and doubtful debts	(2,470)	(869)
Freight and cartage	(117,045)	(105,276)
Printing and publishing	(197,274)	(196,259)
Marketing	(65,491)	(77,425)
Project materials	(118,203)	(73,383)
Travelling and accommodation	(40,039)	(30,074)
Insurance	(9,932)	(7,408)
Other expenses	(2,801)	(2,354)
	(2,080,982)	(1,760,059)
PROFIT/(LOSS) BEFORE NET FINANCING INCOME & DEPRECIATION	(15,314)	83,039
Depreciation of plant and equipment	(6,173)	(5,312)
PROFIT/(LOSS) BEFORE NET FINANCING INCOME	(21,487)	77,727
Interest income	23,909	23,713
Bank and finance (expenses)	(14,486)	(13,817)
NET FINANCING INCOME	9,423	9,896
PROFIT/(LOSS) FOR THE YEAR	(12,064)	87,623
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR	(12,064)	87,623

The accompanying notes form part of these financial statements

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

	Settled Sum \$	Retained Surplus \$	Total Equity \$
For the year ended 30 June 2015			
Opening balance at 1 July 2014	10	232,325	232,335
Profit/(loss) for the year	-	87,623	87,623
Closing balance at 30 June 2015	<u>10</u>	<u>319,948</u>	<u>319,958</u>
For the year ended 30 June 2016			
Opening balance at 1 July 2015	10	319,948	319,958
Profit/(loss) for the year	-	(12,064)	(12,064)
Closing balance at 30 June 2016	<u>10</u>	<u>307,884</u>	<u>307,894</u>

The accompanying notes form part of these financial statements

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	2016 \$	2015 \$
CURRENT ASSETS			
Cash and cash equivalents	3	837,899	919,013
Trade and other receivables	4	194,001	241,802
Inventories	5	152,679	17,556
Prepayments		14,880	9,292
TOTAL CURRENT ASSETS		<u>1,199,459</u>	<u>1,187,663</u>
NON-CURRENT ASSETS			
Plant & equipment	6	44,012	26,097
TOTAL NON-CURRENT ASSETS		<u>44,012</u>	<u>26,097</u>
TOTAL ASSETS		<u>1,243,471</u>	<u>1,213,760</u>
CURRENT LIABILITIES			
Payables	7	202,390	139,276
Other liabilities	8	559,570	577,493
Credit Cards		728	2,858
Provisions	9	160,748	148,593
TOTAL CURRENT LIABILITIES		<u>923,436</u>	<u>868,220</u>
NON-CURRENT LIABILITIES			
Provisions	9	12,141	25,582
TOTAL NON-CURRENT LIABILITIES		<u>12,141</u>	<u>25,582</u>
TOTAL LIABILITIES		<u>935,577</u>	<u>893,802</u>
NET ASSETS		<u>307,894</u>	<u>319,958</u>
EQUITY			
Settled sum - REDT		10	10
Retained surplus	10	307,884	319,948
TOTAL EQUITY		<u>307,894</u>	<u>319,958</u>

The accompanying notes form part of these financial statements

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
CASH FLOWS FROM:			
OPERATING ACTIVITIES			
Receipts from publications and technical sales		730,575	608,755
Receipts from members and subscribers		632,376	630,324
Receipts from projects		603,468	629,999
Receipts from donors		338,227	272,389
Payments to suppliers		(1,263,773)	(852,624)
Payments to employees		(1,125,032)	(1,041,627)
Interest received		29,898	18,385
Net cash provided by / (used in) operating activities	3b	(54,261)	265,601
INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		-	-
Payment for plant and equipment		(24,723)	(3,970)
Net cash provided by / (used in) investing activities		(24,723)	(3,970)
FINANCING ACTIVITIES			
(Repayments of) / proceeds from borrowings		(2,130)	(2,405)
Net cash provided by / (used in) financing activities		(2,130)	(2,405)
Net increase / (decrease) in cash		(81,114)	259,226
Cash at the beginning of the financial period		919,013	659,787
Cash at the end of the financial period	3a	837,899	919,013

The accompanying notes form part of these financial statements

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

Note 1: Statement of Accounting Policies.

This financial report is a special purpose financial report prepared in order to satisfy the Alternative Technology Association Inc's reporting requirements under the Associations Incorporation Reform Act 2012. The financial report covers the economic entity comprising the Alternative Technology Association Inc and the Renewable Energy Development Trust ("REDT") together the ATA. The Board has determined that the ATA is not publicly accountable, nor a reporting entity.

The special purpose financial report has been prepared in accordance with the requirements of the Association Incorporation Reform Act 2012 and the Australian Charities and Not-for-profits Commission Regulation 2013 and the recognition, measurement and classification aspects of all applicable Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB).

The financial report does not include the disclosure requirements of all AASBs except for the following minimum requirements:

- AASB 101 : Presentation of Financial Statements
- AASB 107 : Cash Flow Statements
- AASB 108 : Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 1031 : Materiality
- AASB 1048 : Interpretation and Application of Standards
- AASB 1054 : Australian Additional Disclosures

No other Australian Accounting Standards or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report was approved by the Board on 6th October 2016.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Basis of Measurement

The financial report has been prepared on an accruals basis and is based on historic costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

(b) Functional and Presentation Currency

These financial statements are presented in Australian dollars, which is the ATAs functional currency.

(c) Revenue Recognition

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and discounts. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably. Transfers of risks and rewards occurs when the product is received by the customer, however, for some international and local shipments transfer occurs upon loading the goods onto the relevant carrier.

Revenue from annual subscriptions and memberships is recognised proportionately over the duration of the membership or subscription.

Donations are recognised as income when they are pledged and there is a legally enforceable right to receive the funds. Donations not received by balance date are recorded as income accrued.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

Note 1: Statement of Accounting Policies.

(c) Revenue Recognition cont.

Government grants related to assets are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and ATA will comply with the conditions associated with the grant, and are then recognised in profit or loss as other income on a systematic over the useful life of the asset.

Grants that compensate the group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same period in which the expenses are recognised.

(d) Interest Income

Interest income is recognised as it accrues in profit and loss, using the effective interest method.

(e) Project Grant Income

Reciprocal Grants

Grants received on the condition that specified services should be delivered, or conditions fulfilled are considered reciprocal. Such grants are initially recognised as a liability and revenue recognised as services are performed or conditions fulfilled.

Non-reciprocal grants

Where a grant is received where there is no performance obligation or return obligation, revenue is recognised when the grant is received or receivable.

(f) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

(g) Goods and services tax

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 taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as a current asset or liability in the balance sheet.

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

(h) Income Tax

The ATA is endorsed as an income tax exempt charity under Subdivision 50-5 of the *Income Tax Assessment Act 1997*, Item 1.1 - Charitable Institution.

The ATA is not liable for Income Tax and therefore does not account for Income Tax in these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

Note 1: Statement of Accounting Policies.

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of rolling average cost, and include expenditure incurred in acquiring the inventories, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less any selling expenses.

(j) Plant and Equipment

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of plant and equipment.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and are recognised net within "other income" in profit or loss.

(k) Depreciation of Plant and Equipment

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

- leasehold improvements 33-100 years
- plant and equipment 5-33 years
- office equipment 3-20 years
- fixtures and fittings 4-20 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date, and adjusted if appropriate.

(l) Impairment

(i) Financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence that they are impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

Note 1: Statement of Accounting Policies.

(l) Impairment cont.

(ii) Non-financial assets

The carrying amounts of the ATA's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(m) Employee Benefits

(i) Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave represent present obligations resulting from employees' services provided to reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the ATA expects to pay as at reporting date including related on-costs, such as workers' compensation insurance and payroll tax.

(ii) Long-term employee benefits

The ATA's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the ATA's obligations.

(n) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and deposits at call which are readily convertible to cash.

Restricted cash is deposits at call but not freely available for the ATAs purposes. This represents cash held for the purposes of the joint arrangement ATA entered into during the prior reporting period. See Note 1(p).

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

Note 1: Statement of Accounting Policies.

(o) Provisions

A provision is recognised if, as a result of a past event, the ATA has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(p) Joint Arrangements

In April 2013, ATA entered into a Joint Arrangement with The Henry Doubleday Research Association Inc (ABN 11 374 523 789) for the purpose of operating the Hawkesbury EarthCare Centre on the Western Sydney University's Hawkesbury campus.

In November 2015, ATA and The Henry Doubleday Research Association Inc agreed to conclude the Joint Arrangement with HDRA continuing the operations of the Hawkesbury EarthCare Centre as sole operator.

The ATA has recognised and measured the transactions and balances related to the Centre consistent with the accounting policies contained in these accounts equal to the portion attributable to the Association under the Joint Arrangement agreement.

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

	2016	2015
	\$	\$
2 AUDITORS REMUNERATION		
Audit and review services		
KPMG	6,000	6,000
Other audit firms	-	-
Other Services		
KPMG	-	-
Other audit firms	-	-

3 RECONCILIATION OF CASH

- (a) Cash at the end of the financial period as shown in the Statement of Cash flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash on hand	3,252	5,780
Cash deposits with banks	834,647	912,861
Restricted Cash	-	372
Balance per statement of cash flows	837,899	919,013

- (b) **Reconciliation of cash flow from operations with operating profit/(loss) after income tax**

Profit/(loss) for the period	(12,064)	87,623
Adjustments for		
Depreciation and amortisation	6,173	5,312
(Profit)/loss on sale of plant and equipment	635	-
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	47,801	(74,069)
(Increase)/decrease in inventories	(135,123)	6,637
(Increase)/decrease in prepayments	(5,588)	3,371
Increase/(decrease) in employee entitlements	(1,285)	42,576
Increase/(decrease) in payables and other liabilities	45,191	194,151
Cash flows from operations	(54,261)	265,601

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

	2016	2015
	\$	\$
4 TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade debtors	113,170	117,911
Provision for doubtful debts	(3,790)	(2,300)
Accrued income	84,621	126,191
	<u>194,001</u>	<u>241,802</u>
5 INVENTORIES		
CURRENT		
ATA publications	2,257	4,189
Books	7,282	7,970
Electronic products	150,240	11,647
Provision for obsolescence	(7,100)	(6,250)
	<u>152,679</u>	<u>17,556</u>
During the year the Association wrote on inventory totalling \$312 (2015: \$264 write off)		
6 PLANT & EQUIPMENT		
LEASEHOLD IMPROVEMENTS		
At cost	19,687	19,687
Less accumulated amortisation	(8,467)	(8,051)
	<u>11,220</u>	<u>11,636</u>
PLANT AND EQUIPMENT		
At cost	30,283	15,068
Less accumulated depreciation	(12,777)	(9,654)
	<u>17,506</u>	<u>5,414</u>
OFFICE EQUIPMENT		
At cost	70,001	94,257
Less accumulated depreciation	(55,718)	(86,785)
	<u>14,283</u>	<u>7,472</u>
FURNITURE AND FITTINGS		
At cost	13,429	13,429
Less accumulated depreciation	(12,426)	(11,854)
	<u>1,003</u>	<u>1,575</u>
Total Plant and Equipment	<u>44,012</u>	<u>26,097</u>

During the year the Association made a loss of \$635 on disposal of assets (2015: \$0)

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

	2016	2015
	\$	\$
7 PAYABLES		
CURRENT		
Trade creditors	67,814	54,608
Other creditors	134,576	84,668
	<u>202,390</u>	<u>139,276</u>
8 OTHER LIABILITIES		
CURRENT		
Prepaid memberships / subscriptions	368,336	338,156
Unexpended grants	191,234	239,337
	<u>559,570</u>	<u>577,493</u>
9 PROVISIONS		
CURRENT		
Employee entitlements	160,748	148,593
	<u>160,748</u>	<u>148,593</u>
NON-CURRENT		
Employee entitlements	12,141	25,582
	<u>12,141</u>	<u>25,582</u>
(a) Aggregate employee entitlement liability	<u>172,889</u>	<u>174,175</u>
(b) Number of equivalent full time employees at year end	<u>13.4</u>	<u>11.9</u>

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

	2016	2015
	\$	\$
10 RETAINED SURPLUS		
Retained surplus at the beginning of the financial year	319,948	232,325
Total changes in retained surplus recognised in the Statement of Comprehensive Income	(12,064)	87,623
Retained surplus at the end of the financial year	307,884	319,948
11 LEASING COMMITMENTS		
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not provided for in the financial statements:		
Not later than one year	-	16,513
Later than one year but not later than five years	-	-
Later than five years	-	-
	-	16,513

The ATA is currently negotiating a new lease for its premises, and is currently paying month to month. The existing lease expired in March 2016.

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2016

	2016	2015
	\$	\$
12 RENEWABLE ENERGY DEVELOPMENT TRUST ('REDT')		
The financial statements of the ATA include the following Income and Expenditure and Assets and Liabilities of the Trust:		
Income		
Donations	338,227	258,089
Interest income	2,625	2,885
Expenses		
Project expenditures	191,928	207,959
Net Profit / (Loss)	148,924	53,015
Assets		
Cash on hand and at bank	192,663	108,031
Receivables	224,550	94,474
Liabilities		
Unexpended grants	80,084	14,300
Net Assets	337,129	188,205

The REDT is operated by the ATA. The ATA has received an endorsement for the REDT fund as a Deductible Gift Recipient under Subdivision 30-B of the Income Tax Assessment Act 1997, Item 6.1.1 - Public Fund on the Register of Environmental Organisations. This endorsement entitles the fund to receive gifts which are tax deductible to donors.

The REDTs objective is to further the environmental objects and purposes of the ATA. Project expenditure for the year ended 30 June 2015 contributed to funding the ATA's operations and renewable energy projects in East Timor and Australia. Project expenditure for the year ended 30 June 2016 contributed to funding the ATA's operations and renewable energy projects in East Timor and Australia.

13 EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event which would have a material effect on the ATA's financial report at 30 June 2016.

14 ASSOCIATION INFORMATION

Registered Name -	The Alternative Technology Association Inc
Registered Number -	A0017411T
Registered Address and Principal Place of Business -	Level 1 39 Little Collins Street Melbourne VIC 3000

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318
DIRECTORS' DECLARATION

In the opinion of the directors of the Alternative Technology Association Inc. (the Association):

- (a) the Association is not publicly accountable nor a reporting entity;
- (b) the financial statements and notes, set out on pages 4 to 17, are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, and the Association Incorporation Reform Act 2012, including:
 - (i) giving a true and fair view of the financial position of the Association as at 30 June 2016 and of its performance, as represented by the results of its operations for the financial year ended on that date in accordance with the statement of compliance and basis of preparation described in Note 1; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 1, and the Australian Charities and Not-for-profits Commission Regulation 2013; and
- (c) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

President:



Helen Millicer

Treasurer:



John Bailey

Melbourne
Dated: 6th October 2016



Independent audit report to the members of the Alternative Technology Association Inc

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of the economic entity comprising the Alternative Technology Association Inc and the Renewable Energy Development Trust (the Entity), which comprises the statement of financial position as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 14 comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Entity.

This audit report has also been prepared for the members of the Entity in pursuant to *Australian Charities and Not-for-profits Commission Act 2012* and the *Australian Charities and Not-for-profits Commission Regulation 2013* (ACNC) (collectively the Act and Regulations).

Directors' responsibility for the financial report

The Directors of the Entity are responsible for the preparation of the special purpose financial report that gives a true and fair view in accordance with the ACNC, the Act and Regulations and the *Associations Incorporations Reform Act 2012 (Vic)* and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the ACNC, the Act and Regulations and is appropriate to meet the needs of the members. The Directors' responsibility also includes such internal control as the Directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

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

We performed the procedures to assess whether in all material respects the financial report gives a true and fair view, in accordance with Australian Accounting Standards to the extent described in Note 1 and the ACNC and the *Associations Incorporations Reform Act 2012 (Vic)*, a true and fair view which is consistent with our understanding of the Entity's financial position and of its performance.

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



Independence

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Basis for qualified auditor's opinion

Donation revenue is a significant source of fundraising revenue for the economic entity, comprising the alternative Technology Association Inc, and the Renewable Energy Development Trust. The Entity has determined that it is impracticable to establish controls over the collection of all donations revenue prior to entry into its financial records.

Accordingly, as the evidence available to us regarding fundraising revenue from this source was limited, our audit procedures with respect to donations revenue had to be restricted to the amounts recorded in the financial records. We therefore are unable to express an opinion whether donations revenue for the Entity, reported in the accompanying financial report is complete.

In respect of the qualification however, based on our understanding of the internal controls, nothing has come to our attention which would cause us to believe that the internal controls over revenue from fundraising appeal activities by the Entity, are not appropriate given the size and nature of the Entity.

Qualified Auditor's opinion

In our opinion except for the possible effects of the matter described in the basis for qualified opinion paragraph, the financial report of the Alternative Technology Association Inc and the Renewable Energy Development Trust (the Entity), is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the *Associations Incorporations Reform Act 2012 (Vic)* including:

- (a) giving a true and fair view of the Entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, the *Australian Charities and Not-for-profits Commission Regulation 2013*, and *Associations Incorporation Reform Act 2012 (Vic)*.

Basis of accounting

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the ACNC and the *Associations Incorporations Reform Act 2012 (Vic)*. As a result, the financial report may not be suitable for another purpose.

KPMG

Gordon Sangster

Partner

Melbourne, 6 October 2016