

Alternative Technology Association Inc (trading as 'Renew')

ABN 57 533 056 318

Financial Report

For the Year Ended 30 June 2018

Alternative Technology Association Inc

ABN 57 533 056 318

Contents

For the Year Ended 30 June 2018

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Alternative Technology Association Inc

ABN 57 533 056 318

Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 30 June 2018

| | 2018 | 2017 |
|--|--------------------|--------------------|
| | \$ | \$ |
| Revenue | | |
| Membership & subscription fees | 700,526 | 637,315 |
| Project management | 483,634 | 624,009 |
| Publications | 603,446 | 560,842 |
| Donations and grants | 452,788 | 442,169 |
| Sale of goods | 39,876 | 44,924 |
| Interest income | 15,270 | 20,036 |
| Other revenue | 29,919 | 24,434 |
| Total revenue | 2,325,459 | 2,353,729 |
| Expenses | | |
| Employee benefit expense | (1,505,162) | (1,372,618) |
| Printing and publishing expenses | (217,668) | (211,408) |
| Consultants and professional fees | (153,064) | (145,640) |
| Postage and freight | (148,504) | (127,604) |
| Marketing expenses | (112,531) | (96,260) |
| Occupancy expenses | (51,202) | (37,910) |
| Project materials | (50,195) | (160,281) |
| Cost of sales | (35,904) | (34,798) |
| Travel expenses | (29,388) | (41,483) |
| Depreciation and amortisation | (18,044) | (13,892) |
| Other expenses | (137,419) | (108,723) |
| Total expenses | (2,459,081) | (2,350,617) |
| Surplus/(deficit) for the year | (133,622) | 3,112 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | (133,622) | 3,112 |

The accompanying notes form part of these financial statements.

Alternative Technology Association Inc

ABN 57 533 056 318

Statement of Financial Position

As at 30 June 2018

| | Note | 2018 \$ | 2017 \$ |
|--------------------------------------|------|------------------|------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 2 | 899,966 | 852,765 |
| Trade and other receivables | 3 | 143,327 | 165,435 |
| Inventories | 4 | 35,886 | 46,195 |
| Other assets | 5 | 53,557 | 19,409 |
| TOTAL CURRENT ASSETS | | 1,132,736 | 1,083,804 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | 44,488 | 55,623 |
| Intangible assets | 7 | 138,737 | 21,132 |
| TOTAL NON-CURRENT ASSETS | | 183,225 | 76,755 |
| TOTAL ASSETS | | 1,315,961 | 1,160,559 |
| LIABILITIES | | | |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 8 | 251,685 | 159,196 |
| Short-term provisions | 9 | 220,167 | 204,035 |
| Other liabilities | 10 | 640,568 | 469,693 |
| TOTAL CURRENT LIABILITIES | | 1,112,420 | 832,924 |
| NON-CURRENT LIABILITIES | | | |
| Long-term provisions | 9 | 26,157 | 16,629 |
| TOTAL NON-CURRENT LIABILITIES | | 26,157 | 16,629 |
| TOTAL LIABILITIES | | 1,138,577 | 849,553 |
| NET ASSETS | | 177,384 | 311,006 |
| EQUITY | | | |
| Settled sum | | 10 | 10 |
| Retained surplus | | 177,374 | 310,996 |
| TOTAL EQUITY | | 177,384 | 311,006 |

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 2018

2018

| | Settled Sum | Retained Surplus | Total |
|--------------------------------|-------------|------------------|-----------|
| | \$ | \$ | \$ |
| Balance at 1 July 2017 | 10 | 310,996 | 311,006 |
| Surplus/(deficit) for the year | - | (133,622) | (133,622) |
| Balance at 30 June 2018 | 10 | 177,374 | 177,384 |

2017

| | Settled Sum | Retained Surplus | Total |
|--------------------------------|-------------|------------------|---------|
| | \$ | \$ | \$ |
| Balance at 1 July 2016 | 10 | 307,884 | 307,894 |
| Surplus/(deficit) for the year | - | 3,112 | 3,112 |
| Balance at 30 June 2017 | 10 | 310,996 | 311,006 |

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 2018

| | 2018 | 2017 |
|---|-------------|-------------|
| Note | \$ | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Receipts from members, customers and donors | 2,704,797 | 2,373,662 |
| Payments to suppliers and employees | (2,548,352) | (2,330,104) |
| Interest received | 15,270 | 18,160 |
| Net cash provided by/(used in) operating activities | 14 171,715 | 61,718 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Payment for plant and equipment | (6,909) | (22,702) |
| Payment for intangible assets | (117,605) | (24,150) |
| Net cash used by investing activities | (124,514) | (46,852) |
| Net increase/(decrease) in cash and cash equivalents held | 47,201 | 14,866 |
| Cash and cash equivalents at beginning of year | 852,765 | 837,899 |
| Cash and cash equivalents at end of financial year | 2 899,966 | 852,765 |

The accompanying notes form part of these financial statements.

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(a) Basis of preparation

Alternative Technology Association Inc is an association, incorporated and domiciled in Victoria.

The financial report is a special purpose financial report prepared to satisfy the reporting requirements of the *Associations Incorporation Reform Act 2012 (VIC)* and the *Australian Charities and Not-for-profits Commission Act 2012*. The Board has determined that the association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. The association is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

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

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

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied. Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue for the sale of goods is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

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

Donations are recognised as revenue when they are pledged and there is a legally enforceable right to receive the funds. All other donations are recognised on receipt.

Grant revenue is recognised in the statement of income and expenditure and other comprehensive income when the Association obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Association and the amount of the grant can be measured reliably. When grant revenue is received and the grant contains specific terms and conditions that the Association is required to perform, the grant revenue is recognised in the statement of financial position as a liability until the conditions have been met, otherwise the grant is recognised as income on receipt. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

Interest is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

(c) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The Association is a charity registered with the Australian Charities and Not-for-profits Commission.

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(d) 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 payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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.

(e) Leases

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.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

(g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

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

| Fixed asset class | Depreciation rate |
|----------------------------------|--------------------------|
| Plant and Equipment | 3 - 20% |
| Furniture, Fixtures and Fittings | 5 - 25% |
| Office Equipment | 5 - 33% |
| Leasehold improvements | 1 - 3% |

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.

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(h) Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss. The Association's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default. The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. The Association's financial liabilities include borrowings, trade and other payables (including finance lease liabilities), which are measured at amortised cost using the effective interest rate method.

(i) Impairment

At each reporting date, the association reviews the carrying values of its 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 or where appropriate depreciated replacement cost, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of income and expenditure and other comprehensive income.

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2018

1 Summary of Significant Accounting Policies

(j) Intangibles

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between three and four years.

Amortisation

Amortisation is recognised in income and expenditure on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

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

(k) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments with original maturities of six months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(l) Employee benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in income and expenditure.

(m) 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.

(n) New Accounting Standards and Interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The board members have decided against early adoption of these Standards, and are yet to assess whether the adoption of these standards will have any impact on the reported position or performance of the Association.

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2018

2 Cash and Cash Equivalents

| | 2018 | 2017 |
|--------------|----------------|----------------|
| | \$ | \$ |
| Cash on hand | 6,249 | 2,224 |
| Cash at bank | 893,717 | 850,541 |
| | <u>899,966</u> | <u>852,765</u> |

3 Trade and Other Receivables

CURRENT

| | | |
|------------------------------|---------------|---------------|
| Trade receivables | 75,338 | 51,172 |
| Provision for doubtful debts | (3,020) | (560) |
| | <u>72,318</u> | <u>50,612</u> |

| | | |
|----------------|----------------|----------------|
| Accrued income | 71,009 | 114,823 |
| | <u>143,327</u> | <u>165,435</u> |

4 Inventories

CURRENT

At cost:

| | | |
|----------------------------|---------------|---------------|
| Electronic products | 30,765 | 45,445 |
| Books | 2,516 | 4,857 |
| ATA publications | 6,305 | 493 |
| Provision for obsolescence | (3,700) | (4,600) |
| | <u>35,886</u> | <u>46,195</u> |

5 Other Assets

CURRENT

| | | |
|-------------|---------------|---------------|
| Prepayments | 53,557 | 19,409 |
| | <u>53,557</u> | <u>19,409</u> |

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2018

6 Property, Plant and Equipment

| | 2018 | 2017 |
|--|----------------------|----------------------|
| | \$ | \$ |
| Plant and equipment | | |
| At cost | 35,079 | 35,079 |
| Accumulated depreciation | (20,404) | (16,347) |
| Total plant and equipment | <u>14,675</u> | <u>18,732</u> |
| Furniture, fixtures and fittings | | |
| At cost | 18,227 | 18,227 |
| Accumulated depreciation | (12,110) | (11,006) |
| Total furniture, fixtures and fittings | <u>6,117</u> | <u>7,221</u> |
| Office equipment | | |
| At cost | 54,028 | 64,555 |
| Accumulated depreciation | (40,720) | (45,689) |
| Total office equipment | <u>13,308</u> | <u>18,866</u> |
| Leasehold Improvements | | |
| At cost | 19,687 | 19,687 |
| Accumulated amortisation | (9,299) | (8,883) |
| Total leasehold improvements | <u>10,388</u> | <u>10,804</u> |
| Total property, plant and equipment | <u>44,488</u> | <u>55,623</u> |

7 Intangible Assets

| | | |
|---|-----------------------|----------------------|
| Computer software | | |
| At cost | 153,718 | 30,077 |
| Accumulated amortisation and impairment | (14,981) | (8,945) |
| Total computer software | <u>138,737</u> | <u>21,132</u> |
| Total Intangibles | <u>138,737</u> | <u>21,132</u> |

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2018

8 Trade and Other Payables

| | 2018 | 2017 |
|----------------|----------------|----------------|
| | \$ | \$ |
| CURRENT | | |
| Trade payables | 94,884 | 54,014 |
| Other payables | 156,801 | 105,182 |
| | <u>251,685</u> | <u>159,196</u> |

9 Provisions

| | | |
|-------------------|----------------|----------------|
| CURRENT | | |
| Employee benefits | 220,167 | 204,035 |
| | <u>220,167</u> | <u>204,035</u> |
| NON-CURRENT | | |
| Employee benefits | 26,157 | 16,629 |
| | <u>26,157</u> | <u>16,629</u> |

10 Other Liabilities

| | | |
|-------------------------------------|----------------|----------------|
| CURRENT | | |
| Unexpended grants | 207,386 | 80,448 |
| Prepaid memberships / subscriptions | 433,182 | 389,245 |
| | <u>640,568</u> | <u>469,693</u> |

11 Capital and Leasing Commitments

Operating Leases

Minimum lease payments under non-cancellable operating leases:

| | | |
|-----------------------------------|---------------|---------------|
| - not later than one year | 20,000 | 30,000 |
| - between one year and five years | - | 20,000 |
| | <u>20,000</u> | <u>50,000</u> |

12 Auditors' Remuneration

Remuneration of the auditor, for:

| | | |
|-------------------------------------|---------------|---------------|
| - auditing the financial statements | 11,750 | 11,500 |
| | <u>11,750</u> | <u>11,500</u> |

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2018

13 Renewable Energy Development Trust

The Renewable Energy Development Trust (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 REDT's objective is to further the environmental objects and purposes of the ATA. Project expenditure contributed to funding the ATA's operations and renewable energy projects in Australia and East Timor.

The financial statements of ATA include the following Income and Expenditure and Assets and Liabilities of the REDT:

| | 2018 | 2017 |
|---------------------------------------|-----------------|-----------------|
| | \$ | \$ |
| Income | | |
| Donations and grants | 452,788 | 445,369 |
| Interest income | 1,255 | 2,170 |
| Expenses | | |
| Project expenses | (343,510) | (197,378) |
| Other expenses | (2,866) | (2,873) |
| Surplus/(deficit) for the year | <u>107,667</u> | <u>247,288</u> |
| Assets | | |
| Cash and cash equivalents | 441,954 | 157,673 |
| Trade and other receivables | 304,199 | 438,721 |
| Liabilities | | |
| Unexpended grants | <u>(54,069)</u> | <u>(11,977)</u> |
| Net assets | <u>692,084</u> | <u>584,417</u> |

Alternative Technology Association Inc

ABN 57 533 056 318

Notes to the Financial Statements

For the Year Ended 30 June 2018

14 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

| | 2018 | 2017 |
|---|----------------|---------------|
| | \$ | \$ |
| Net surplus/(deficit) for the year | (133,622) | 3,112 |
| Non-cash flows in surplus/(deficit) | | |
| - depreciation and amortisation | 18,044 | 13,892 |
| - net (gain)/loss on disposal of plant and equipment | - | 217 |
| Changes in assets and liabilities: | | |
| - (increase)/decrease in trade and other receivables | 22,108 | 28,566 |
| - (increase)/decrease in inventories | 10,309 | 106,484 |
| - (increase)/decrease in prepayments | (34,148) | (4,529) |
| - increase/(decrease) in payables and other liabilities | 263,364 | (133,799) |
| - increase/(decrease) in provisions | 25,660 | 47,775 |
| Cashflows from operations | <u>171,715</u> | <u>61,718</u> |

15 Events after the end of the Reporting Period

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.

16 Association Information

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

Alternative Technology Association Inc
Association Registration Number: A0017411T
Level 1, 39 Little Collins Street
Melbourne VIC 3000

Alternative Technology Association Inc

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Statement by Members of the Board

The board members declare that in the board members' opinion:

- (a) 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
- (b) the financial statements and notes satisfy the requirements of the *Associations Incorporation Reform Act 2012* and 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*.

President 

Treasurer 

Date: 30.10.2018

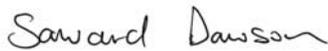
Alternative Technology Association Inc

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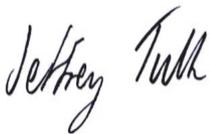
Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the half-year ended 30 June 2018, there have been:

- (a) no contraventions of the auditor independence requirements as set out in the Accounting Professional Ethical Standards as required by Section 60.40 of the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



Saward Dawson



Jeffrey Tulk
Partner

Date: 30 October 2018

Blackburn

Alternative Technology Association Inc

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Independent Audit Report to the members of Alternative Technology Association Inc

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Alternative Technology Association Inc (the Association), which comprises the statement of financial position as at 30 June 2018, the statement of income and expenditure and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and statement by members of the board.

In our opinion, the accompanying financial report of the Association is in accordance with the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profit Commission Act 2012*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2018 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1, the *Associations Incorporation Reform Act 2012* 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 Association in accordance with the auditor independence requirements of 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 ethical 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 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the board members' financial reporting responsibilities under the *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profit 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.

Responsibilities of Board Members for the Financial Report

The board members are responsible for the preparation and fair presentation of the financial report in accordance with *Associations Incorporation Reform Act 2012* and the *Australian Charities and Not-for-profit Commission Act 2012* and for such internal control as the board members determine is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

Alternative Technology Association Inc

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Independent Audit Report to the members of Alternative Technology Association Inc

In preparing the financial report, the board members are responsible for assessing the Association'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 the board members either intend to liquidate the Association or to cease operations, or have 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 the 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 this financial report.

As part of an audit in accordance with the 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the board member'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 Association'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 Association 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.

Alternative Technology Association Inc

ABN 57 533 056 318

Independent Audit Report to the members of Alternative Technology Association Inc

We communicate with those charged with governance 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.



Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Dated: 30 October 2018