

ALTERNATIVE TECHNOLOGY ASSOCIATION INC

ABN: 57 533 056 318

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
30 JUNE 2014**

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 2014.

Principal Activities

The Alternative Technology Association is a not for profit organisation which exists to connect, inspire and assist people to make sustainable choices in their homes and communities. Established in 1980, the ATA provides expert, independent advice on sustainable solutions for the home to homeowners, government and industry. ATA is well recognised for our technical expertise, communications capacity and an informed membership.

The ATA delivers in three main business areas:

- Membership services. ATA has 15 active branches across Australia and 5200 members who are actively walking the talk in their own homes. ATA provides an online and over the phone advice service for members.
- Communications. Publishers of the magazines ReNew: technology for a sustainable future and Sanctuary: modern green homes. ATA maintains five websites, a YouTube channel, conducts and attends events, and promotes good news stories through mainstream and social media.
- Advocacy & Projects. ATA advocates in government and industry arenas for policies that support sustainable solutions for households. ATA also provides consultancy services based on our technical expertise in energy, water and communications.

Board Members

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

		Board member since:	
Kane Thornton		2006	Retired Oct 2013
Richard Meredith	Vice-President	2008	
Ralf Thesing	President	2009	
Usha Iyer-Raniga		2009	
John Bailey	Treasurer	2012	
Clint Steele		2012	
Dave Adams		2013	
Russell Anderson	Secretary	2013	
Andrea Gaffney		2013	Retired Aug 2013
Neil Salisbury		2013	
Scott Morgan		2013	Appointed Aug 2013
Ione McLean		2013	Appointed Oct 2013
Helen Millicer		2013	Appointed Oct 2013

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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TREASURER'S REPORT

Board Members' meetings

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

	<u>Board Meeting</u>		<u>Committee:</u>		<u>Governance & Risk</u>	
	A	B	A	B	A	B
Kane Thornton	2	4	-	-	-	-
Richard Meredith	9	11	-	-	-	-
Ralf Thesing	9	11	9	11	2	3
Usha Iyer-Raniga	6	11	-	-	-	-
John Bailey	8	11	11	11	-	-
Clint Steele	7	11	11	11	-	-
Dave Adams	9	11	-	-	1	3
Russell Anderson	10	11	-	-	3	3
Andrea Gaffney	-	2	1	2	-	-
Neil Salisbury	8	11	-	-	3	3
Scott Morgan	6	9	6	8	-	-
Ione McLean	3	7	-	-	-	-
Helen Millicer	7	7	6	7	-	-

A - Number of meetings attended

B - Number of meetings held during the time the Board Member held office during the year

Review and Results of Operations

The profit for the financial year amounted to \$130,689 (2013: \$34,911 profit).

The ATA continues to experience pressure on several of our usual revenue sources given the current Australian economic and political environment. We have continued to monitor staff costs closely, reducing expenditure where we can, without a corresponding reduction in our service offering. We have strengthened revenue by improving membership and donation options, online product offerings and marketing our consultancy services. ATA has been successful during the year in sourcing grant funding from various organisations within the environmental or not-for-profit sector to fund capacity building or projects aligned with the ATAs purposes.

Our strong governance, project management systems and continued process efficiency focus have lead to an improvement in the financial performance of the ATA during the current year. Our retained surplus balance as at 30 June 2014 was \$232,325, and our cash at bank position was \$653,569.

Our budget for 2014-15 has been prepared using a conservative approach and targets a \$24,544 profit.

Significant Changes in the State of Affairs

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

ALTERNATIVE TECHNOLOGY ASSOCIATION INC

ABN: 57 533 056 318

TREASURER'S REPORT

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: 3rd October 2014

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 \$	2013 \$
REVENUES			
Publications		519,846	537,965
Project management		364,713	376,115
Sales - books		9,015	23,071
Sales - technical		51,503	48,586
Membership & subscription fees		537,403	546,679
Donations		217,940	158,793
Other income		13,656	9,855
TOTAL REVENUE		1,714,076	1,701,064
Cost of sales		(47,279)	(51,614)
Employee benefits expense		(957,398)	(1,029,649)
Administrative expenses		(75,866)	(86,688)
Occupancy expenses		(31,201)	(30,788)
Bad and doubtful debts		4,810	(4,229)
Freight and cartage		(106,571)	(115,408)
Printing and publishing		(195,962)	(216,971)
Marketing		(73,242)	(87,952)
Project materials		(55,039)	(1,371)
Travelling and accommodation		(34,560)	(18,176)
Insurance		(7,494)	(6,880)
Other expenses		(526)	(7,369)
		(1,580,328)	(1,657,095)
PROFIT/(LOSS) BEFORE NET FINANCING INCOME & DEPRECIATION		133,748	43,969
Depreciation of plant and equipment		(8,542)	(16,735)
PROFIT/(LOSS) BEFORE NET FINANCING INCOME		125,206	27,234
Interest income		18,144	17,982
Bank and finance (expenses)		(12,661)	(10,305)
NET FINANCING INCOME		5,483	7,677
PROFIT/(LOSS) FOR THE YEAR		130,689	34,911
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		130,689	34,911

The accompanying notes form part of these financial statements

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2014

	Note	Settled Sum \$	Retained Surplus \$	Total Equity \$
For the year ended 30 June 2013				
Opening balance at 1 July 2012		10	66,725	66,735
Profit/(loss) for the year		-	34,911	34,911
Closing balance at 30 June 2013		<u>10</u>	<u>101,636</u>	<u>101,646</u>
For the year ended 30 June 2014				
Opening balance at 1 July 2013		10	101,636	101,646
Profit/(loss) for the year		-	130,689	130,689
Closing balance at 30 June 2014		<u>10</u>	<u>232,325</u>	<u>232,335</u>

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 2014

	Note	2014 \$	2013 \$
CURRENT ASSETS			
Cash and cash equivalents	3	659,787	464,128
Trade and other receivables	4	167,733	151,083
Inventories	5	24,193	13,663
Prepayments		12,663	27,967
TOTAL CURRENT ASSETS		<u>864,376</u>	<u>656,841</u>
NON-CURRENT ASSETS			
Plant & equipment	6	27,439	36,507
TOTAL NON-CURRENT ASSETS		<u>27,439</u>	<u>36,507</u>
TOTAL ASSETS		<u>891,815</u>	<u>693,348</u>
CURRENT LIABILITIES			
Payables	7	190,512	149,107
Other liabilities	8	332,106	318,657
Credit Cards		5,263	2,488
Provisions	9	107,414	101,394
TOTAL CURRENT LIABILITIES		<u>635,295</u>	<u>571,646</u>
NON-CURRENT LIABILITIES			
Provisions	9	24,185	20,056
TOTAL NON-CURRENT LIABILITIES		<u>24,185</u>	<u>20,056</u>
TOTAL LIABILITIES		<u>659,480</u>	<u>591,702</u>
NET ASSETS		<u>232,335</u>	<u>101,646</u>
EQUITY			
Settled sum - REDT		10	10
Retained surplus	10	232,325	101,636
TOTAL EQUITY		<u>232,335</u>	<u>101,646</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 2014

	Note	2014 \$	2013 \$
CASH FLOWS FROM:			
OPERATING ACTIVITIES			
Receipts from customers		737,857	767,313
Receipts from members and subscribers		551,652	551,751
Receipts from projects		371,513	361,748
Receipts from donors		221,205	158,793
Payments to suppliers		(784,407)	(803,835)
Payments to employees		(924,607)	(1,020,142)
Interest received		15,392	19,586
Net cash provided by (used in) operating activities	3b	188,605	35,214
INVESTING ACTIVITIES			
Proceeds from sale of plant and equipment		5,500	164
Payment for plant and equipment		(1,221)	(7,405)
Net cash provided by (used in) investing activities		4,279	(7,241)
FINANCING ACTIVITIES			
(Repayments of) / Proceeds from borrowings		2,775	(4,245)
Net cash provided by (used in) financing activities		2,775	(4,245)
Net increase (decrease) in cash		195,659	23,728
Cash at the beginning of the financial period		464,128	440,400
Cash at the end of the financial period	3a	659,787	464,128

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 2014

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 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 3rd October 2014.

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 2014

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 2014

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 2014

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 has entered into during the current reporting period. See Note 1(p).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2014

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

The ATA has elected to early adopt accounting standard AASB 11 - Joint Arrangements. The ATA has not previously accounted for joint arrangements as the joint arrangement has only been formalised during the current reporting period. Therefore the impact of this adoption is confined to the current reporting period only and no reliance upon transitional provisions under the standard has been required. The impact of early adoption of this standard is regarded to not be material.

Assets, liabilities, revenues and expenses in relation to the joint operation are recorded within these accounts only to the extent of the ATA's interest in the operation, and in accordance with the standard applicable to the particular assets, liabilities, revenues and expenses.

ATA entered into a joint arrangement for the purposes of operating the Hawkesbury EarthCare Centre on the University of Western Sydney's Hawkesbury Campus. The other party to this joint arrangement is:- Henry Doubleday Research Association Inc ABN 11 374 523 789

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2014

	2014	2013
	\$	\$
Note 2 REVENUE AND EXPENSES		
Profit/(loss) for the year includes the following items:		
Profit/(loss) on disposal of assets	3,753	164
Auditors' remuneration ¹	(6,000)	(6,028)
Inventory write downs	(1,705)	(418)
Australian Government Grants ²	25,000	25,000

¹ No non-audit services were provided by the auditor during the current or prior periods.

² Received from the Australian Government Grants to Voluntary Environment, Sustainability and Heritage Organisations (GVESHO) program.

Note 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	3,948	1,716
Cash deposits with banks	653,569	462,412
Restricted Cash	2,270	-
Balance per statement of cash flows	659,787	464,128

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

Profit/(loss) for the period	130,689	34,911
Adjustments for		
Depreciation and amortisation	8,542	16,735
(Profit)/loss on sale of plant and equipment	(3,753)	(164)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(16,650)	2,452
(Increase)/decrease in inventories	(10,530)	5,562
(Increase)/decrease in prepayments	15,304	(20,686)
Increase/(decrease) in employee entitlements	10,149	(17,421)
Increase/(decrease) in payables and other liabilities	54,854	13,825
Cash flows from operations	188,605	35,214

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2014

	2014	2013
	\$	\$
Note 4 TRADE AND OTHER RECEIVABLES		
CURRENT		
Trade debtors	73,749	94,513
Provision for doubtful debts	(1,943)	(9,496)
Accrued income	95,927	66,066
	<u>167,733</u>	<u>151,083</u>
Note 5 INVENTORIES		
CURRENT		
ATA publications	3,008	1,705
Books	8,466	6,829
Electronic products	19,069	11,729
Provision for obsolescence	(6,350)	(6,600)
	<u>24,193</u>	<u>13,663</u>
Note 6 PLANT & EQUIPMENT		
LEASEHOLD IMPROVEMENTS		
At cost	19,687	19,687
Less accumulated amortisation	(7,631)	(7,211)
	<u>12,056</u>	<u>12,476</u>
PLANT AND EQUIPMENT		
At cost	15,068	26,751
Less accumulated depreciation	(9,186)	(18,938)
	<u>5,882</u>	<u>7,813</u>
OFFICE EQUIPMENT		
At cost	90,287	91,224
Less accumulated depreciation	(82,944)	(77,748)
	<u>7,343</u>	<u>13,476</u>
FURNITURE AND FITTINGS		
At cost	13,429	13,429
Less accumulated depreciation	(11,271)	(10,687)
	<u>2,158</u>	<u>2,742</u>
Total Plant and Equipment	<u>27,439</u>	<u>36,507</u>

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2014

	2014	2013
	\$	\$
Note 7 PAYABLES		
CURRENT		
Unsecured liabilities:		
Trade creditors	75,272	74,853
Other creditors	115,240	74,254
	<u>190,512</u>	<u>149,107</u>
Note 8 OTHER LIABILITIES		
CURRENT		
Prepaid memberships / subscriptions	328,706	314,457
Owing to Government / unexpended grant	3,400	4,200
	<u>332,106</u>	<u>318,657</u>
Note 9 PROVISIONS		
CURRENT		
Employee entitlements	107,414	101,394
	<u>107,414</u>	<u>101,394</u>
NON-CURRENT		
Employee entitlements	24,185	20,056
	<u>24,185</u>	<u>20,056</u>
(a) Aggregate employee entitlement liability	<u>131,599</u>	<u>121,450</u>
(b) Number of equivalent full time employees at year end	<u>11.1</u>	<u>10.8</u>

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2014

	2014	2013
	\$	\$
Note 10 RETAINED SURPLUS		
Retained surplus at the beginning of the financial year	101,636	66,725
Total changes in retained surplus recognised in the Statement of Comprehensive Income	130,689	34,911
Retained surplus at the end of the financial year	<u>232,325</u>	<u>101,636</u>

Note 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	23,636	23,636
Later than one year but not later than five years	16,513	40,149
Later than five years	-	-
	<u>40,149</u>	<u>63,785</u>

The ATA lease a premise under an operating lease. The current lease runs for 3 years and expires in March 2016. There is no provision in the lease agreement for annual increases in lease payments with payment amounts fixed for the term of the lease.

ALTERNATIVE TECHNOLOGY ASSOCIATION INC
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
30 JUNE 2014

	2014	2013
	\$	\$
Note 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	217,940	158,793
Interest income	2,777	1,684
Expenses		
Project expenditures	220,291	131,368
Net Profit / (Loss)	426	29,109
Assets		
Cash on hand and at bank	95,857	80,023
Receivable from ATA	42,733	54,741
Liabilities		
Unexpended grant	3,400	-
Net Assets	135,190	134,764

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 2013 contributed to funding renewable energy projects in East Timor and the ATA's operations. Project expenditure for the year ended 30 June 2014 contributed to funding the ATA's operations and renewable energy projects in East Timor and Australia.

Note 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 ATAs financial report at 30 June 2014.

Note 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

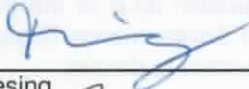
ALTERNATIVE TECHNOLOGY ASSOCIATION INC
ABN: 57 533 056 318
DIRECTORS' DECLARATION

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

- (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, including:
 - (i) giving a true and fair view of the financial position of the Association as at 30 June 2014 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 Notes 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.

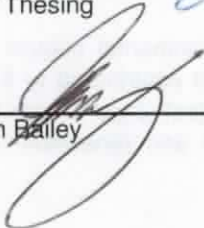
This declaration is made in accordance with a resolution of the directors.

President:



Ralf Thesing

Treasurer:



John Bailey

Melbourne

Dated: 3rd October 2014



Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To: the directors of the Alternative Technology Association Inc.

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2014 there have been:

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

KPMG

Gordon Sangster
Partner

Melbourne

3 October 2014



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 2014, 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,

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* (ACNC).

Board Members' responsibility for the financial report

The board members' of the Entity are responsible for the preparation of the special purpose financial report that presents fairly in accordance with the ACNC 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 and is appropriate to meet the needs of the members. The board members' responsibility also includes such internal control as the board members' determine necessary to enable the preparation of a financial report that is fairly presented 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 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 give a true and fair view, in accordance with Australian Accounting Standards and the ACNC, a 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

Donations 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 impractical 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 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 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*.

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. As a result, the financial report may not be suitable for another purpose.

KPMG

Gordon Sangster

Partner

Melbourne

3 October 2014