

Australian Science Innovations Incorporated
ABN: 81 731 558 309

Financial Statements

For the Year Ended 31 December 2017

Australian Science Innovations Incorporated

ABN: 81 731 558 309

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For the Year Ended 31 December 2017

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Australian Science Innovations Incorporated

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Directors' Report

31 December 2017

General information

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position	Appointed/Resigned
Ms Debra Smith	Chair	appointed to board 10 November 2009
Dr Nick Hagan	Deputy Chair	appointed to board 18 August 2009
Prof Gary Monroe	Treasurer	resigned 22 August 2017
Dr Gunilla Burrowes	Members	appointed to board 10 November 2009
Dr Mark Toner	Acting Treasurer	appointed to board 27 November 2006
Associate Professor Keturah Whitford	Members	appointed to board 10 November 2009
Ben Kremer	Members	appointed to board October 2016
Anna Davis	Members	appointed to board January 2017

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

Principal activities

The principal activities of the association during the financial year were:

- foster and promote Australian participation in the International Biology, Chemistry, Physics and Earth and Environmental Science Olympiads;
- organise Australian Science Olympiad Competition;
- run the Big Science Competition for students in Years 7 to 10;
- engage in other activities designed to encourage science excellence in secondary education; and
- co-ordinate and send the Australian delegation to the Asian Science Camp.
- present Curious Minds – girls in STEM program in partnership with the Australian Mathematics Trust

Significant changes

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

Operating results

The operating loss for the year ended 31 December 2017 was \$46,216 (2016: surplus of \$150,541).

Signed in accordance with a resolution of the Board of Directors:

Director: 

Director: 

Dated this 1 day of May 2018

Australian Science Innovations Incorporated

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Auditor's Independence Declaration under Section 60-40 of the Australian Charities and Not For Profits Commission Act 2012 to the Board of Australian Science Innovations Incorporated

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2017, there have been:

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

MCS Audit Pty Ltd



Phillip W Miller CA

Director

Dated in Canberra on: 7 May 2018

Australian Science Innovations Incorporated

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2017

	Note	2017 \$	2016 \$
Revenue	5	1,669,415	1,779,766
Other Income		154,164	51,657
Employee Benefits Expenses		(739,892)	(743,176)
Depreciation and Amortisation Expenses		(15,550)	(20,157)
Consulting Fees		(277,215)	(296,363)
Travel and Accommodation Expenses		(423,887)	(341,528)
Other Expenses		(413,251)	(279,658)
Profit before income tax		(46,216)	150,541
Income Tax Expense		-	-
Total comprehensive income for the year		(46,216)	150,541

The accompanying notes form part of these financial statements.

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Statement of Financial Position

31 December 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	2,010,466	1,785,990
Trade and other receivables	7	95,511	130,585
Other assets	8	46,817	39,668
TOTAL CURRENT ASSETS		2,152,794	1,956,243
NON-CURRENT ASSETS			
Property, plant and equipment	9	10,539	15,677
Intangible assets	10	17,055	21,758
TOTAL NON-CURRENT ASSETS		27,594	37,435
TOTAL ASSETS		2,180,388	1,993,678
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	128,275	63,929
Provisions	12	52,719	16,670
Other liabilities	13	1,096,005	963,474
TOTAL CURRENT LIABILITIES		1,276,999	1,044,073
TOTAL LIABILITIES		1,276,999	1,044,073
NET ASSETS		903,389	949,605
EQUITY			
Retained earnings		903,389	949,605
TOTAL EQUITY		903,389	949,605

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity
For the Year Ended 31 December 2017

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2017	949,605	949,605
Profit /(Loss) attributable to members	(46,216)	(46,216)
Balance at 31 December 2017	<u>903,389</u>	<u>903,389</u>

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2016	799,064	799,064
Profit attributable to members	150,541	150,541
Balance at 31 December 2016	<u>949,605</u>	<u>949,605</u>

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 31 December 2017

	2017	2016
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and government grants	2,007,652	1,824,040
Payments to suppliers and employees	(1,809,262)	(1,321,409)
Interest received	31,795	31,978
Net cash provided by/(used in) operating activities	<u>230,185</u>	<u>534,609</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	<u>(5,709)</u>	<u>(26,642)</u>
Net cash used by investing activities	<u>(5,709)</u>	<u>(26,642)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	224,476	507,967
Cash and cash equivalents at beginning of year	<u>1,785,990</u>	<u>1,278,023</u>
Cash and cash equivalents at end of financial year	<u>6</u> <u>2,010,466</u>	<u>1,785,990</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 31 December 2017

1 Introduction

The financial report covers Australian Science Innovations Incorporated as an individual entity. Australian Science Innovations Incorporated is a not-for-profit Association, registered and domiciled in Australia.

The functional and presentation currency of Australian Science Innovations Incorporated is Australian dollars.

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

Comparatives are consistent with prior years, unless otherwise stated.

2 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012*.

3 Summary of Significant Accounting Policies

(a) Income Tax

The association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Leases

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses in the period in which they occur.

(c) 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.

Interest revenue

Interest is recognised using the effective interest method.

Grant income

Project (reciprocal) grants are recognised as revenue to the extent that the monies have been applied in accordance with the conditions of the grant. Grant funds received prior to year-end but unexpended as at that date are recognised as grants in advance (liabilities).

Operating (non-reciprocal) grants are brought to account as income at the commencement of the grant period. Operating grant funds received prior to the applicable grant funding period are recognised as grants in advance (liabilities).

Australian Science Innovations Incorporated

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Notes to the Financial Statements

For the Year Ended 31 December 2017

3 Summary of Significant Accounting Policies

(c) Revenue and other income

Other income

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

(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) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a reducing balance basis over the assets useful life to the entity, 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	50%
Furniture, Fixtures and Fittings	10% - 50%

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.

(f) Intangible Assets

Amortisation

Amortisation is recognised in profit or loss on a reducing balance basis, 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.

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Notes to the Financial Statements

For the Year Ended 31 December 2017

3 Summary of Significant Accounting Policies

(g) Financial instruments

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 divided into the following categories which are described in detail below:

- receivables;
- held-to-maturity investments.

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.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income in the 'finance income' or 'finance costs' line item respectively.

Receivables

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.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if it is the intention of the association's management to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

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.

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Notes to the Financial Statements

For the Year Ended 31 December 2017

3 Summary of Significant Accounting Policies

(g) Financial instruments

The association's financial liabilities include trade and other payables, which are measured at amortised cost using the effective interest rate method.

(h) Cash and cash equivalents

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

(i) 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 profit or loss.

4 Critical Accounting Estimates and Judgements

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

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

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

At each reporting date, the Association reviews the carrying values of its 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 or value in use, is compared to the assets carrying value. As a not-for-profit entity, value in use for the Association, according to AASB 136 Impairment of Assets, is depreciated replacement cost. Any excess of the asset's carrying value over its recoverable amount is recognised in the statement of profit or loss and other comprehensive income as an impairment loss.

Key estimates - receivables

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

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Notes to the Financial Statements
For the Year Ended 31 December 2017

5 Revenue and Other Income

Revenue from continuing operations

	2017	2016
	\$	\$
-	023,159	1,115,740
-	31,759	31,978
-	31,998	-
-	165,820	-
-	317,493	360,901
-	299,186	271,141
	<u>1,669,415</u>	<u>1,779,766</u>

6 Cash and Cash Equivalents

Cash on hand	58	296
Bank balances	549,289	392,424
Short-term deposits	1,458,269	1,389,189
Cash advances	2,850	4,081
	<u>2,010,466</u>	<u>1,785,990</u>

7 Trade and Other Receivables

CURRENT

Trade receivables	116,158	130,585
Provision for doubtful debts	(20,647)	-
	<u>95,511</u>	<u>130,585</u>

(a) Provision for doubtful debts

Reconciliation of changes in the provision for impairment of receivables is as follows:

Balance at beginning of the year	-	-
Additional provision for doubtful debts recognised	(20,647)	-
Balance at end of the year	<u>(20,647)</u>	<u>-</u>

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

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statement.

Australian Science Innovations Incorporated

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Notes to the Financial Statements

For the Year Ended 31 December 2017

8 Other Assets

	2017	2016
	\$	\$
Other current assets	46,817	39,668
	<u>46,817</u>	<u>39,668</u>

9 Property, plant and equipment

Plant and equipment		
At cost	17,288	17,288
Accumulated depreciation	(13,978)	(10,671)
Total plant and equipment	<u>3,310</u>	<u>6,617</u>
Furniture, fixtures and fittings		
At cost	36,069	35,491
Accumulated depreciation	(28,840)	(26,431)
Total furniture, fixtures and fittings	<u>7,229</u>	<u>9,060</u>
	<u>10,539</u>	<u>15,677</u>

(a) Movements in Carrying Amounts

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

	Plant and Equipment \$	Furniture, Fixtures and Fittings \$	Total \$
Year ended 31 December 2017			
Balance at the beginning of year	6,617	9,060	15,677
Additions	-	578	578
Depreciation expense	(3,307)	(2,409)	(5,716)
Balance at the end of the year	<u>3,310</u>	<u>7,229</u>	<u>10,539</u>

10 Intangible Assets

Website		
At cost	47,227	42,095
Accumulated amortisation and impairment	(30,172)	(20,337)
Net carrying value	<u>17,055</u>	<u>21,758</u>
	<u>17,055</u>	<u>21,758</u>

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Notes to the Financial Statements

For the Year Ended 31 December 2017

10 Intangible Assets

(a) Movements in carrying amounts of intangible assets

	Website	Total
	\$	\$
Year ended 31 December 2017		
Balance at the beginning of the year	21,758	21,758
Additions	5,132	5,132
Amortisation	(9,835)	(9,835)
Closing value at 31 December 2017	17,055	17,055

11 Trade and Other Payables

	2017	2016
	\$	\$
CURRENT		
Trade payables	100,708	27,732
GST payable	(21,531)	6,404
Other payables	49,098	29,793
	128,275	63,929

12 Provision

CURRENT		
Provision for long service leave	17,939	-
Provision for annual leave	34,780	16,670
	52,719	16,670

13 Other Liabilities

CURRENT		
Amounts received in advance	1,096,005	963,474
	1,096,005	963,474

14 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the association is \$130,000 to \$140,000. (2016 remuneration paid to key management personnel of the association is \$200,000 to \$210,000)

15 Contingencies

In the opinion of those charged with governance, the association did not have any contingencies at 31 December 2017 (31 December 2016:None).

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Notes to the Financial Statements

For the Year Ended 31 December 2017

16 Leasing Commitments

Operating leases

	2017	2016
	\$	\$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	9,992	1,992
- between one year and five years	20,814	6,802
	<u>30,806</u>	<u>8,794</u>

Operating lease commitments include a photocopier lease with a 5 year term, and the lease of the current premises expiring in December 2020.

17 Related Parties

The association's main related parties are as follows:

Dr Gunilla Burrowes

Dr Nick Hagan

Prof Gary Monroe

Ms Debra Smith

Dr Mark Toner

Associate Professor Keturah Whitford

Ben Kremer

Anna Davis

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Board members are not remunerated.

18 Statutory Information

The registered office of the association is:

Oliphant Building 60 Mills Road
Australian National University
Canberra ACT 2600

Australian Science Innovations Incorporated

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Responsible Persons' Declaration

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

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

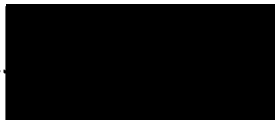
Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

Responsible person



M C TONER

Responsible person



D. SMITH

Dated this day of 2018