

Australian Science Innovations Incorporated

ABN: 81 731 558 309

Financial Statements

For the Year Ended 31 December 2018

Australian Science Innovations Incorporated

ABN: 81 731 558 309

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For the Year Ended 31 December 2018

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Australian Science Innovations Incorporated

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Directors' Report

31 December 2018

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	Members	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
Paul Andon	Treasurer	Appointed to board February 2018

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 surplus for the year ended 31 December 2018 was \$162,404 (2017: loss of \$46,216).

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

Director:

Director:

Dated this day of 2019

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 2018, 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.

Vincents Audit Pty Ltd

**Phillip W Miller CA
Director**

Dated in Canberra on:

Australian Science Innovations Incorporated

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Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2018

	Note	2018 \$	2017 \$
Revenue	5	1,609,171	1,669,415
Other income		255,183	154,164
Employee Benefits Expenses		(664,200)	(739,892)
Depreciation and amortisation expense		(14,267)	(15,550)
Consulting Fees		(227,008)	(277,215)
Travel and Accommodation Expenses		(365,770)	(423,887)
Loss on disposal of assets		(3,976)	-
Profit/(loss) for the year		162,404	(46,216)

The association has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

The accompanying notes form part of these financial statements.

Australian Science Innovations Incorporated

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Statement of Financial Position

31 December 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	2,780,891	2,010,466
Trade and other receivables	8	39,222	117,042
Other assets	9	116,689	46,817
TOTAL CURRENT ASSETS		<u>2,936,802</u>	<u>2,174,325</u>
NON-CURRENT ASSETS			
Property, plant and equipment	10	8,209	10,539
Intangible assets	11	13,097	17,055
TOTAL NON-CURRENT ASSETS		<u>21,306</u>	<u>27,594</u>
TOTAL ASSETS		<u><u>2,958,108</u></u>	<u><u>2,201,919</u></u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	141,197	149,807
Provisions	13	74,842	52,719
Other liabilities	14	1,676,276	1,096,005
TOTAL CURRENT LIABILITIES		<u>1,892,315</u>	<u>1,298,531</u>
NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		<u>1,892,315</u>	<u>1,298,531</u>
NET ASSETS		<u><u>1,065,793</u></u>	<u><u>903,388</u></u>
EQUITY			
Retained earnings		<u>1,065,793</u>	<u>903,389</u>
TOTAL EQUITY		<u><u>1,065,793</u></u>	<u><u>903,389</u></u>

The association has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

The accompanying notes form part of these financial statements.

Australian Science Innovations Incorporated

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Statement of Changes in Equity For the Year Ended 31 December 2018

2018

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2018	903,389	903,389
Profit /(Loss) attributable to members	162,404	162,404
Balance at 31 December 2018	1,065,793	1,065,793

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	903,389	903,389

The association has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

Australian Science Innovations Incorporated

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Statement of Cash Flows

For the Year Ended 31 December 2018

	2018	2017
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers and government grants	2,728,948	2,007,652
Payments to suppliers and employees	(1,851,741)	(1,712,022)
Payments to ATO	(123,917)	(97,240)
Interest received	29,090	31,795
Net cash provided by/(used in) operating activities	782,380	230,185
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(11,955)	(5,709)
Net cash used by investing activities	(11,955)	(5,709)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash used by financing activities	-	-
Net increase/(decrease) in cash and cash equivalents held	770,425	224,476
Cash and cash equivalents at beginning of year	2,010,466	1,785,990
Cash and cash equivalents at end of financial year	7 2,780,891	2,010,466

The accompanying notes form part of these financial statements.

Australian Science Innovations Incorporated

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Notes to the Financial Statements

For the Year Ended 31 December 2018

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.

Comparatives are consistent with prior years, unless otherwise stated.

1 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*.

2 Change in Accounting Policy

Financial Instruments - Adoption of AASB 9

The association has adopted AASB 9 *Financial Instruments* for the first time in the current year with a date of initial adoption of 1 January 2018.

As part of the adoption of AASB 9, the association adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 *Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.
- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current year.

The key changes to the association's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Changes in accounting policies resulting from the adoption of AASB 9 have been applied retrospectively except the association has not restated any amounts relating to classification and measurement requirements including impairment which have been applied from 1 January 2018.

Classification of financial assets

The financial assets of the association have been reclassified into one of the following categories on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost

Notes to the Financial Statements

For the Year Ended 31 December 2018

2 Change in Accounting Policy

Financial Instruments - Adoption of AASB 9

Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has resulted in the earlier recognition of credit loss (bad debt provisions).

Classification of financial assets and financial liabilities

The table below illustrates the classification and measurement of financial assets and liabilities under AASB 9 and AASB 139 at the date of initial application.

	Note	Classification under AASB 139	Classification under AASB 9	Carrying amount under AASB 139 \$	Reclassification \$	Re-measurements \$	Carrying amount under AASB 9 \$
Financial assets							
Trade and other receivables	8	Loans and receivables	Amortised cost	95,511	-	-	95,511
Cash and cash equivalents	7	Loans and receivables	Amortised cost	552,197	-	-	552,197
Term deposits (i)	7	Held to maturity	Amortised cost	1,458,269	-	-	1,458,269
Total financial assets				2,105,977	-	-	2,105,977
Financial liabilities							
Trade payables	12	Other financial liabilities	Other financial liabilities	100,708	-	-	100,708

Notes to the table:

(i) Reclassification from Held to Maturity to Amortised Cost

Term deposits that would previously have been classified as held to maturity are now classified at amortised cost. The association intends to hold the assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding. There was no difference between the previous carrying amount and the revised carrying amount of these assets.

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.

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Notes to the Financial Statements

For the Year Ended 31 December 2018

3 Summary of Significant Accounting Policies

(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 revenue

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 that date are recognised as grant 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).

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.

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.

Notes to the Financial Statements

For the Year Ended 31 December 2018

3 Summary of Significant Accounting Policies

(e) Property, plant and equipment

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) Financial instruments

For comparative year

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).

For current year

Financial instruments are recognised initially 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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the association classifies its financial assets into the following categories, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the association changes its business model for managing financial assets.

Notes to the Financial Statements

For the Year Ended 31 December 2018

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the association's historical experience and informed credit assessment and including forward looking information.

The association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the association in full, without recourse to the association to actions such as realising security (if any is held); or

Credit losses are measured as the present value of the difference between the cash flows due to the association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Notes to the Financial Statements

For the Year Ended 31 December 2018

3 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The association measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the association comprise trade payables, bank and other loans and finance lease liabilities.

(g) 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.

Notes to the Financial Statements

For the Year Ended 31 December 2018

3 Summary of Significant Accounting Policies

(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

The association assesses impairment at the end of each reporting period by evaluating conditions specific to the association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

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 2018

5 Revenue and Other Income

Revenue from continuing operations

	2018	2017
	\$	\$
- Sponsorship	739,992	823,159
- Interest received	43,337	31,759
- C Minds, students, sponsor	48,619	31,998
- Income APHO	200,004	165,820
- Big Science Competition (ASI)	284,077	317,493
- Aus Science Olympiad competition	293,142	299,186
	1,609,171	1,669,415

6 Result for the Year

The result for the year was derived after crediting the following items:

Employee Benefits Expenses	664,200	739,892
Depreciation and amortisation expenses	14,267	15,550
Consulting Fees	227,008	277,215
Travel and Accommodation Expenses	365,770	423,887
Net loss on disposal of property, plant and equipment	3,976	-
Doubtful debt	7,168	20,647
Office rental	8,614	-

7 Cash and Cash Equivalents

Cash on hand	77	58
Bank balances	580,814	549,289
Short-term deposits	2,200,000	1,458,269
Cash advances	-	2,850
	2,780,891	2,010,466

Australian Science Innovations Incorporated

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Notes to the Financial Statements

For the Year Ended 31 December 2018

8 Trade and Other Receivables

	2018	2017
	\$	\$
CURRENT		
Trade receivables	27,973	116,158
GST receivable	18,417	21,531
Provision for doubtful debts	(7,168)	(20,647)
	<u>39,222</u>	<u>117,042</u>

(a) Provision for doubtful debts

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

	2018	2017
	\$	\$
Balance at beginning of the year (calculated in accordance with AASB 139)	(20,647)	-
Amount restated through opening retained earnings on adoption of AASB 9	-	-
Opening impairment allowance calculated under AASB 9	<u>(20,647)</u>	-
Amounts written off as uncollectible		
Directly to P&L	(7,168)	(20,647)
Movement through provision	20,647	-
Balance at end of the year	<u>(7,168)</u>	<u>(20,647)</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.

9 Other Assets

CURRENT		
Prepayments	102,221	44,656
Other Current Assets	14,468	2,161
	<u>116,689</u>	<u>46,817</u>

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Notes to the Financial Statements

For the Year Ended 31 December 2018

10 Property, plant and equipment

PLANT AND EQUIPMENT

	2018	2017
	\$	\$
Plant and equipment		
At cost	11,207	17,288
Accumulated depreciation	(5,862)	(13,978)
Total plant and equipment	5,345	3,310
Furniture, fixtures and fittings		
At cost	4,782	36,069
Accumulated depreciation	(1,918)	(28,840)
Total furniture, fixtures and fittings	2,864	7,229
Total property, plant and equipment	8,209	10,539

(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 2018			
Balance at the beginning of year	3,310	7,229	10,539
Additions	8,780	-	8,780
Disposals	(1,193)	(2,783)	(3,976)
Depreciation expense	(5,552)	(1,582)	(7,134)
Balance at the end of the year	5,345	2,864	8,209

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Notes to the Financial Statements

For the Year Ended 31 December 2018

11 Intangible Assets

	2018	2017
	\$	\$
Website		
At cost	50,402	47,227
Accumulated amortisation and impairment	(37,305)	(30,172)
Net carrying value	13,097	17,055

(a) Movements in carrying amounts of intangible assets

	Website	Total
	\$	\$
Year ended 31 December 2018		
Balance at the beginning of the year	17,055	17,055
Additions	3,175	3,175
Amortisation	(7,133)	(7,133)
Closing value at 31 December 2018	13,097	13,097

12 Trade and Other Payables

	2018	2017
	\$	\$
CURRENT		
Trade payables	84,511	100,708
Other payables	56,686	49,098
	141,197	149,806

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

13 Provision

CURRENT		
Provision for annual leave	26,624	34,781
Provision for long service leave	48,218	17,939
	74,842	52,720

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Notes to the Financial Statements

For the Year Ended 31 December 2018

14 Other Liabilities

	2018	2017
	\$	\$
CURRENT		
Amounts received in advance	<u>1,676,276</u>	1,096,005
	<u>1,676,276</u>	<u>1,096,005</u>

15 Leasing Commitments

Operating leases

Minimum lease payments under non-cancellable operating leases:

- not later than one year	10,000	9,992
- between one year and five years	<u>12,333</u>	20,814
	<u>22,333</u>	<u>30,806</u>

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

16 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the association is \$140,000 to \$150,000. (2017 remuneration paid to key management personnel of the association is \$130,000 to \$140,000)

17 Contingencies

In the opinion of those charged with governance, the association did not have any contingencies at 31 December 2018 (31 December 2017:None).

Australian Science Innovations Incorporated

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Notes to the Financial Statements

For the Year Ended 31 December 2018

18 Related Parties

The association's main related parties are as follows:

Key management personnel - refer to note 16

Dr Gunilla Burrowes

Dr Nick Hagan

Prof Gary Monroe

Ms Debra Smith

Dr Mark Toner

Associate Professor Keturah Whitford

Ben Kremer

Anna Davis

Board members are not remunerated.

19 Statutory Information

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

Australian Science Innovations Incorporated
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

Responsible person

Dated this day of 2019

Independent Audit Report to the Members of Australian Science Innovations Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Science Innovations Incorporated (the registered entity), which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the financial report of Australian Science Innovations Incorporated has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 31 December 2018 and of its financial performance for the year ended; and
- (ii) Complying with Australian Accounting Standards 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 registered entity in accordance with 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 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.

Responsibilities of Responsible Entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the registered entity'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 management either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

canberra. adelaide. brisbane. gold coast. melbourne. sydney

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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 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 the financial report.

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

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.

Vincent's Audit Pty Ltd

Phillip Miller
Director

Canberra,

Australian Science Innovations Incorporated

ABN: 81 731 558 309

For the Year Ended 31 December 2018

Disclaimer

The additional financial data presented on page 23-25 is in accordance with the books and records of the association which have been subjected to the auditing procedures applied in our statutory audit of the association for the year ended 31 December 2018. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Australian Science Innovations Incorporated) in respect of such data, including any errors or omissions therein however caused.

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Phillip W Miller CA

Director

Vincent's Audit Pty Ltd
02 April 2019

Australian Science Innovations Incorporated

ABN: 81 731 558 309

For the Year Ended 31 December 2018

Profit and Loss Account

	2018	2017
	\$	\$
Income		
Interest income	43,337	31,759
Member subscriptions	739,992	823,159
Construction revenue	48,619	31,998
Big Science Competition (ASI)	284,077	317,493
Aus Science Olympiad competition	293,142	299,186
Other revenue	200,004	165,820
Other income	255,183	154,164
Total income	1,864,354	1,823,579
Less: Expenses		
Accounting and audit fees	8,156	11,508
Advertising and marketing	64,577	64,131
Bad debts	7,168	20,647
Bank charges	4,306	4,012
Depreciation	14,267	15,550
Entertainment	1,280	1,298
Facilities and materials expenses	3,404	6,422
Insurance	20,424	22,899
Annual leave provision	(8,156)	18,110
Long service leave	30,279	17,939
Recruitment costs	330	323
Photocopier lease expenses	2,000	2,333
Postage	1,635	725
Printing and distribution	60,092	67,163
Registration fees	15,837	25,079
Rental outgoings	8,614	-
Repairs and maintenance	5,345	10,114
Other expenses	17,586	24,139
ALUMNI expenses	-	7,323
Catering and venue hire expenses	642	3,660
Wages	582,530	642,661
Student assistance - waiver	9,400	5,800
Staff training	7,071	3,164
Staff amenities	278	540
Subscriptions	2,065	273
Superannuation contributions	52,146	57,695
Telephone and fax	2,958	3,072
Fringe benefits tax	693	12,905
Uniforms	9,012	4,206
Website	2,520	6,195
Consulting fees	227,008	277,215
Travel and accommodation expenses	365,770	423,887
Loss on disposal of assets	3,976	-
APHO costs	178,737	108,807

Australian Science Innovations Incorporated

ABN: 81 731 558 309

For the Year Ended 31 December 2018

Profit and Loss Account

	2018	2017
	\$	\$
Total Expenses	<u>1,701,950</u>	<u>1,869,795</u>
Total income for the year	<u>162,404</u>	<u>(46,216)</u>
Other items:		
Profit before income tax	<u><u>162,404</u></u>	<u><u>(46,216)</u></u>