

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED

ABN 67 091 255 908

FINANCIAL REPORT

For the Year Ended 31 December 2015

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED

ABN 67 091 255 908

Contents For the Year Ended 31 December 2015

	Page
Directors' Report	1
Auditor's Independence Declaration	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	19
Independent Audit Report	20
Additional Information for the Members	22

Directors' Report

31 December 2015

Your directors present their report on the company for the financial year ended 31 December 2015.

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

Jacqueline Birt
Millicent Chang
Mandy Cheng (retired 31 July 2015)
Raymond da Silva Rosa
Charl de Villiers (appointed 1 August 2015)
Paul de Lange (retired 31 July 2015)
Andrew Jackson
David Smith
Baljit Sidhu (appointed 1 August 2015)
Chris van Staden
Norman Wong

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 activity of the company during the year was the administration of a not-for-profit accounting and finance association operated for the advancement of accounting and finance education.

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

Short-term and Long-term Objectives

The primary objectives of Accounting and Finance Association of Australia and New Zealand Limited (AFAANZ), which was established to operate as a public educational institution by supporting and advancing the character, status, teaching and research in the accounting and finance and related disciplines through educational and other activities are:

- To provide education programs and continuing professional development programs for the benefit of both members and non-members.
- To prescribe, adopt, test and recognise by way of diploma, designation or otherwise standards and classifications of attainment and qualifications in accounting and finance and related disciplines.
- To promote to the public, whether by way of publication or otherwise, information on accounting and finance and related disciplines and other subjects of interest or value to accountants, finance and related disciplines by lectures, discussions, books, journals and correspondence and other publications with the public and other bodies and individuals or otherwise.
- To encourage the study of accounting and finance and related disciplines within the general public, and, for that purpose to donate and to encourage the donation, on such terms and conditions as may from time to time be determined or prescribed, of a prize or prizes or other rewards or distinctions.

Directors' Report

31 December 2015

Strategies

To achieve its objectives, the company has adopted the following strategies:

- To provide education and professional development programs in accounting and finance related disciplines.
- To provide accounting and finance related lectures, discussions, books, journals and other publications to the public.
- To donate and encourage donations of prizes and other rewards for the study of accounting and finance related disciplines (research grants and scholarships).
- To conduct an annual conference and doctoral symposium.

Key Performance Measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved.

Company Performance

During 2015, AFAANZ continued to advance the character, status, teaching and research in the accounting and finance and related disciplines. The advancement occurred by AFAANZ initiated and coordinated activities including:

- An Annual Conference with approximately 325 delegates attending from numerous countries;
- A Doctoral Symposium attended by 40 PhD candidates drawn from a wide range of institutions with an internationally renowned faculty;
- Awarding of approximately \$150,000 in research grants to successful applicants;
- Funding two PhD scholarships;
- Providing HoD Conference support;
- Supporting PhD students to attend the European Accounting Association's Colloquium and the American Accounting Association's Consortium; and
- Funding two visiting professors to attend identified institutions to provide a wide range of academics the opportunity to improve their research skills
- Supporting and funding a PhD Coursework Program

Additionally, AFAANZ continued to build on relationships with various national and international associations including accounting professional bodies. Several co-badged events were conducted that assisted in bridging the gap between academia and practice.

AFAANZ made a surplus this year and it appears to be due to increased revenues during the financial year. The surplus for AFAANZ amounted to \$2,346 (2014: \$1,779) for the year.

Information on directors

Jacqueline Birt

Qualifications	BEd, BBus, MBus, PhD, CPA
Experience	Senior Lecturer, The University of Queensland
Special responsibilities	AFAANZ Board Member - SIGs Portfolio and Research Portfolio (Research Grants)

Accounting and Finance Association of Australia and New Zealand

ABN 67 091 255 908

Directors' Report

31 December 2015

Millicent Chang

Qualifications BCom, MCom, PhD
Experience Professor and Deputy Head of Discipline, The University of Western Australia
Special responsibilities AFAANZ Board Member – Treasurer, Research (Research Grants) Portfolios, and Co-Director of the Doctoral Symposium

Mandy Cheng (retired 31 July 2015)

Qualifications PhD, CPA, Grad Dip (Applied Finance), SIA
Experience Professor, UNSW Australia
Special responsibilities AFAANZ Board Member - Professions Portfolio and Co-chair Conference Technical Committee

Raymond da Silva Rosa

Qualifications BCom, PhD
Experience Winthrop Professor of Finance, The University of Western Australia
Special responsibilities AFAANZ Board Member - Research Portfolio (Research Grants) until 31 July 2015, and President (Australia) from 1 August 2015

Charl de Villiers (appointed 1 August 2015)

Qualifications MBA, DCom, CA
Experience Professor, Auckland University of Technology
Special responsibilities AFAANZ Board Member - Co-Chair Conference Technical Committee

Paul de Lange (retired 31 July 2015)

Qualifications BEd, Grad Dip Acc, MBus.Acc, PhD
Experience Professor in Accounting, Curtin University of Technology
Special responsibilities AFAANZ Board Member - New Sponsorship and Membership Portfolios and President (Australia) until 31 July 2015

Andrew Jackson

Qualifications BCA, MCA, PhD, AMusTCL, CA
Experience Senior lecturer, UNSW Australia.
Special responsibilities AFAANZ Board Member - Co-chair Conference Technical Committee

David Smith

Qualifications BCom(Hons), PhD, CA
Experience Professor, Monash University
Special responsibilities AFAANZ Board Member - Co-Director of the Doctoral Symposium

Baljit Sidhu (appointed 1 August 2015)

Qualifications MCom, PhD, FCPA, FCA
Experience Professor, UNSW Australia
Special responsibilities AFAANZ Board Member - External Relationships Portfolio and Research Portfolio (Research Grants)

Accounting and Finance Association of Australia and New Zealand

ABN 67 091 255 908

Directors' Report

31 December 2015

Chris van Staden

Qualifications BCom(Hons), MCom, DCom, CA
Experience Professor of Accounting, Auckland University of Technology
Special responsibilities AFAANZ Board Member - Co-chair Conference Technical Committee until 31 July 2015

Norman Wong

Qualifications BCom, MCom, PhD, CA
Experience Professor and Head of Department
The University of Auckland
Special responsibilities AFAANZ Board Member - Research (Doctoral Symposium) Portfolio until 31 July 2015 and President (New Zealand) from 1 August 2014

Meetings of directors

During the financial year, 3 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Jacqueline Birt	3	3
Millicent Chang	3	3
Mandy Cheng (retired 31 July 2015)	2	2
Raymond da Silva Rosa	3	3
Charl de Villiers (appointed 1 August 2015)	1	1
Paul de Lange (retired 31 July 2015)	2	2
Andrew Jackson	3	3
David Smith	3	3
Baljit Sidhu (appointed 1 August 2015)	1	1
Chris van Staden	3	3
Norman Wong	3	3

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 31 December 2015, the total amount that members of the company are liable to contribute if the company is wound up is \$7,560 (2014: \$7,930).

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2015 has been received and can be found on page 5 of the financial report.

The directors' report is signed in accordance with a resolution of the Board of Directors:



Director:
Ray da Silva Rosa



Director:
Millicent Chang

Dated: 11 April 2016

Auditor's Independence Declaration

To the Directors of Accounting and Finance Association of Australia and New Zealand

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2015 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.

ShineWing Australia

ShineWing Australia
Chartered Accountants



Hayley Underwood
Partner

Melbourne, 11 April 2016

Accounting and Finance Association of Australia and New Zealand

ABN 67 091 255 908

Statement of Comprehensive Income

For the Year Ended 31 December 2015

		2015	2014
	Note	\$	\$
Service revenue	2	753,877	732,691
Other revenue	2	68,149	76,839
		<u>822,026</u>	<u>809,530</u>
Conference expenses		(228,131)	(233,346)
Depreciation and amortisation		(481)	(647)
Employee benefits	3	(131,078)	(140,785)
Research Grants		(157,306)	(165,555)
PhD and AFDEN scholarships		(7,500)	(20,000)
Doctoral symposium expenses		(56,661)	(62,057)
Meeting expenses		(34,831)	(21,794)
Administration expenses		(16,914)	(19,734)
Accounting and Finance journal expenses		(65,595)	(45,905)
AFAANZ Reps		(3,533)	(3,246)
Rent expense		(37,054)	(39,806)
Award expenses		(30,453)	(10,000)
Other expenses		(50,143)	(44,876)
		<u>(819,680)</u>	<u>(807,751)</u>
Surplus/(Deficit) for the year		<u>2,346</u>	<u>1,779</u>
Other comprehensive income:			
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income/(expense) for the year		<u>2,346</u>	<u>1,779</u>
Total comprehensive income/(expense) attributable to the company		<u>2,346</u>	<u>1,779</u>

The accompanying notes form part of these financial statements.

Accounting and Finance Association of Australia and New Zealand

ABN 67 091 255 908

Statement of Financial Position

As at 31 December 2015

	Note	2015 \$	2014 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	1,292,015	1,136,860
Trade and other receivables	6	2,220	2,220
Other assets	7	7,618	8,383
TOTAL CURRENT ASSETS		1,301,853	1,147,463
NON-CURRENT ASSETS			
Property, plant and equipment	8	4,152	4,633
TOTAL NON-CURRENT ASSETS		4,152	4,633
TOTAL ASSETS		1,306,005	1,152,096
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	390,887	268,182
Provisions	10	256,295	227,437
Other liabilities	11	4,225	4,225
TOTAL CURRENT LIABILITIES		651,407	499,844
TOTAL LIABILITIES		651,407	499,844
NET ASSETS		654,598	652,252
EQUITY			
Accumulated Surplus		654,598	652,252
TOTAL EQUITY		654,598	652,252

The accompanying notes form part of these financial statements.

Accounting and Finance Association of Australia and New Zealand

ABN 67 091 255 908

Statement of Changes in Equity

For the Year Ended 31 December 2015

	Accumulated Surplus	Total Equity
	\$	\$
Balance at 1 January 2014	650,473	650,473
Total comprehensive income for the year	1,779	1,779
Balance at 31 December 2014	652,252	652,252
Balance at 1 January 2015	652,252	652,252
Total comprehensive income for the year	2,346	2,346
Balance at 31 December 2015	654,598	654,598

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the Year Ended 31 December 2015

	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash receipts in the course of operations	777,953	617,723
Sponsorship by professional accounting bodies	129,000	125,000
Interest received	34,730	39,651
Cash payments in the course of operations	(786,528)	(782,904)
Net cash provided by / (used in) operating activities	<u>155,155</u>	<u>(530)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES:	 <u>-</u>	 <u>-</u>
 CASH FLOWS FROM FINANCING ACTIVITIES:	 <u>-</u>	 <u>-</u>
 Net increase / (decrease) in cash and cash equivalents held	 155,155	 (530)
Cash and cash equivalents at beginning of financial year	1,136,860	1,137,390
Cash and cash equivalents at end of financial year	<u>1,292,015</u>	<u>1,136,860</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

The financial statements cover Accounting and Finance Association of Australia and New Zealand as an individual entity. Accounting and Finance Association of Australia and New Zealand is a company limited by guarantee, incorporated and domiciled in Australia.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

AFAANZ applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and other applicable Amending standards, including AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, 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 dollar and are presented in Australian dollars.

The financial statements were authorised for issue on 11 April 2016 by the directors of the company.

(a) Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(b) Property, Plant and Equipment

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in the statement of comprehensive income in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to accumulated surplus.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the assets' useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of Fixed Asset	Depreciation rate
Plant and Equipment	20% to 35%

Notes to the Financial Statements

For the Year Ended 31 December 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

(c) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to the profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is calculated as: (i) the amount at which the financial asset or financial liability is measured at initial recognition; (ii) less principal repayments; (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in the statement of comprehensive income.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial instrument is impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

(d) Employee Benefits

Provision is made for the Company'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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Notes to the Financial Statements

For the Year Ended 31 December 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

(e) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(g) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Interest revenue is recognised using the effective interest rate method, which, for floating rate financial assets is the rate inherent in the instrument.

Revenue from the rendering of services is recognised upon delivery of the service to members.

Grant Income is recognised when control of the contribution or right to receive the contribution is received.

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

(h) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(i) 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 payable are stated inclusive of the amount of GST receivable or payable. 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 are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, ATO are presented as operating cash flows in receipts from customers or payment suppliers.

(j) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Notes to the Financial Statements For the Year Ended 31 December 2015

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES continued

(k) Critical Accounting Estimates and Adjustments

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(l) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that are transferred to the Company are classified as finance leases.

Finance leases are capitalised recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Company will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

(m) Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. "Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the entity at reporting date (i.e. the market that maximises the receipts from the sale of the asset or minimises the payment made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Notes to the Financial Statements

For the Year Ended 31 December 2015

2 REVENUE AND OTHER INCOME

	2015	2014
	\$	\$
Membership and institutional fees	262,096	258,556
Sponsorship by professional bodies	129,000	125,000
Conference Income	301,775	282,039
Doctoral Symposium	56,067	61,324
SIG fees	4,939	5,772
	<u>753,877</u>	<u>732,691</u>
Interest income	34,729	39,651
Other revenue	33,420	37,188
	<u>68,149</u>	<u>76,839</u>

3 KEY MANAGEMENT PERSONNEL COMPENSATION

Short-term benefits	130,782	136,909
Other long-term benefits	296	3,876
Total compensation	<u>131,078</u>	<u>140,785</u>

4 AUDITORS' REMUNERATION

Auditors' remuneration	12,500	12,000
	<u>12,500</u>	<u>12,000</u>

5 CASH AND CASH EQUIVALENTS**CURRENT**

Cash on hand	350	350
Cash at bank	276,026	121,378
Cash on deposit	1,015,639	1,015,132
	<u>1,292,015</u>	<u>1,136,860</u>

6 TRADE AND OTHER RECEIVABLES**CURRENT**

Security Deposits	2,220	2,220
	<u>2,220</u>	<u>2,220</u>

7 OTHER ASSETS**CURRENT**

Accrued income	7,618	7,930
Prepayments	-	453
	<u>7,618</u>	<u>8,383</u>

Notes to the Financial Statements

For the Year Ended 31 December 2015

8 PROPERTY, PLANT AND EQUIPMENT

	2015	2014
	\$	\$
Plant and equipment	71,529	71,529
Less accumulated depreciation	(67,377)	(66,896)
Total property, plant and equipment	4,152	4,633

Movement in carrying amounts

Movement in carrying amounts for each class of property, plant and equipment.

	Plant and equipment	Total
	\$	\$
Balance at 1 January 2014	5,281	5,281
Additions	-	-
Depreciation expense	(648)	(648)
Carrying amount at 31 December 2014	4,633	4,633
Additions	-	-
Depreciation expense	(481)	(481)
Carrying amount at 31 December 2015	4,152	4,152

9 TRADE AND OTHER PAYABLES**CURRENT**

Goods and services tax	19,207	15,943
Sundry creditors	-	880
Trade creditors	-	2,490
Income in Advance	267,337	148,445
Accrued expense	101,873	75,329
Credit Card	2,470	5,095
PhD Scholarships Payable	-	20,000
	390,887	268,182

10 PROVISIONS

Research Grants provision	175,000	150,000
AFDEN Grants provision	7,500	-
Provision for annual leave	47,636	51,573
Provision for long service leave	26,159	25,864
	256,295	227,437

Analysis of Total Provisions

Current	256,295	227,437
Non-current	-	-
	256,295	227,437

Notes to the Financial Statements
For the Year Ended 31 December 2015

10 PROVISIONS continued

Movement in carrying amounts

Movement in carrying amounts for employee benefits.

	Employee benefits	Total
	\$	\$
Balance at 1 January 2014	71,079	71,079
Additional Provisions Raised	14,199	14,199
Amounts used	(7,841)	(7,841)
Carrying amount at 31 December 2014	77,437	77,437
Additional Provisions Raised	11,125	11,125
Amounts used	(14,767)	(14,767)
Carrying amount at 31 December 2015	73,795	73,795

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data.

11 OTHER LIABILITIES

	2015	2014
	\$	\$
CURRENT		
Deposits payable	4,225	4,225

Notes to the Financial Statements
For the Year Ended 31 December 2015

12 LEASING COMMITMENTS

(a) Operating Lease Commitments

	2015	2014
	\$	\$
Non-cancellable operating leases contracted for but not capitalised in the financial statements Payable:		
- not later than 12 months	37,702	38,351
- between 12 months and five years	19,175	58,084
	<u>56,877</u>	<u>96,435</u>

Lease of premises - Level 1, 156 Bouverie Street, Carlton

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements with a five-year term. Increase in lease commitments may occur in line with the consumer price index (CPI).

(b) Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements Receivable:

- not later than 12 months	15,439	15,041
	<u>15,439</u>	<u>15,041</u>

Lease of premises - Level 1, 156 Bouverie Street, Carlton

The property lease commitments are non-cancellable operating leases contracted for but not capitalised in the financial statements with a 12 month term. Increase in lease commitments may occur in line with the consumer price index (CPI).

13 CONTINGENT LIABILITIES

Estimates of the potential financial effect of contingent liabilities that may become payable:

Guarantee by bank facility	<u>9,768</u>	<u>9,768</u>
-----------------------------------	--------------	--------------

14 EVENTS AFTER THE REPORTING PERIOD

There has been no matter or circumstance, which has arisen since 31 December 2015 that has significantly affected or may significantly affect:

- (a) the operations, in financial years subsequent to 31 December 2015, of the company, or
- (b) the results of those operations, or
- (c) the state of affairs, in financial years subsequent to 31 December 2015, of the company.

Notes to the Financial Statements

For the Year Ended 31 December 2015

15 RELATED PARTY TRANSACTIONS

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

16 FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	2015	2014
	\$	\$
Financial Assets		
Cash and cash equivalents	1,292,015	1,136,860
Loan and other receivables	2,220	2,220
Total Financial Assets	<u>1,294,235</u>	<u>1,139,080</u>
Financial liabilities at amortised cost	<u>390,887</u>	268,182
Total Financial Liabilities	<u>390,887</u>	<u>268,182</u>

17 COMPANY DETAILS

The registered office of the company is:

Accounting and Finance Association of Australia and New Zealand Limited
 Level 1, 156 Bouverie Street
 Carlton VIC 3053

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 18, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position of the company as at 31 December 2015 and of the performance for the year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company 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 Board of Directors.



Director



Director

Dated : 11 April 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCOUNTING & FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND

Report on the Financial Report

We have audited the accompanying financial report of Accounting & Finance Association of Australia and New Zealand (AFAANZ), which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the financial reporting requirements of the Australian Charities and Not-For-Profits Commission Act 2012.

The director's responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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*.

Opinion

In our opinion:

- a) the financial report of Accounting & Finance Association of Australia and New Zealand is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
 - i. giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the period ended on that date; and
 - ii. complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Regulation 2013*.

ShineWing Australia

ShineWing Australia
Chartered Accountants



Hayley Underwood
Partner

Melbourne, 11 April 2016

Accounting and Finance Association of Australia and New Zealand

ABN 67 091 255 908

For the Year Ended 31 December 2015

ADDITIONAL INFORMATION FOR THE MEMBERS ON THE 2015 FINANCIAL STATEMENTS

TRADING AND SURPLUS AND DEFICIT ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	\$	\$
INCOME		
Member and institutional fees	262,096	258,556
Sponsorship by professional bodies	129,000	125,000
Interest received	34,729	39,651
Other revenue including royalties and rent	33,420	37,188
Conference income	301,775	282,039
Doctoral Symposium	56,067	61,324
SIG fees	4,939	5,772
Total Income	822,026	809,530
LESS: EXPENDITURE		
Administration expenses	16,914	19,734
AFAANZ Representatives	3,533	3,246
Awards expenses	30,453	10,000
Auditors' remuneration	14,471	12,000
Bank charges	11,973	11,384
Conference expenses	228,131	233,346
Depreciation	481	647
Doctoral symposium expenses	56,661	62,057
Employees entitlement	1,999	7,841
Insurance	3,856	4,310
Journal expenses	65,595	45,905
Meeting expenses	34,831	21,794
PhD Scholarships	7,500	20,000
Professional fees	5,043	3,100
Rent	37,054	39,806
Research grants	157,306	165,555
SIG Expenses	9,390	8,028
Sundry expenses	5,410	6,054
Superannuation contributions	11,346	11,398
Wages	117,733	121,546
Total Expenses	819,680	807,751
NET OPERATING SURPLUS/(DEFICIT)	2,346	1,779