



PITCHER PARTNERS

**Accounting and  
Finance Association of  
Australia and New  
Zealand Limited**  
ACN 091 255 908

Financial Report  
For the year ended 31 December  
2008

**Pitcher Partners**  
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**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
LIMITED  
ACN 091 255 908**

**DIRECTORS' REPORT**

The directors present their report together with the financial report of Accounting and Finance Association of Australia and New Zealand Limited for the year ended 31 December 2008 and auditors report thereon. This financial report has been prepared in accordance with Australian Equivalents of International Financial Reporting Standards.

**Directors Names**

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

Keryn Chalmers  
Barry J. Cooper  
Paul de Lange  
Ian Eggleton  
Robert Faff  
David Hay  
Christine Jubb  
David Lont (Appointed 1 August 2008)  
Robyn Moroney  
Jennifer Stewart (Retired 31 July 2008)  
Cheryl Umoh  
Sue Wright

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

**Results**

The profit of the company for the year after providing for income tax amounted to \$64,897.

**Review of Operations**

A review of the operations of the company during the financial year and the results of those operations found that:

During the year, the company continued to engage in its principal activity, the results of which are disclosed in the attached financial statements.

**Significant Changes in State of Affairs**

There were no significant changes in the company's state of affairs that occurred during the financial year, other than those referred to elsewhere in this report.

**Principal Activities**

The principal activity of the company during the year was the administration of a non-profit accounting and finance association.

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

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**DIRECTORS' REPORT (cont'd)**

**After Balance Date Events**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

**Likely Developments**

The company expects to maintain the present status and level of operations.

**Environmental Issues**

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

**Dividends Paid, Recommended, and Declared**

No dividends were paid or declared since the start of the year. No recommendation for payment of dividends has been made.

**Information on Directors**

**Keryn Chalmers**

- |                          |   |
|--------------------------|---|
| Qualifications           | - BCom, PhD   |
| Experience               | - Professor in the Department of Accounting and Finance, Monash University                |
| Special Responsibilities | - AFAANZ Board Member - Relationship Management Portfolio and President Elect (Australia) |

**Barry J. Cooper**

- |                          |   |
|--------------------------|---|
| Qualifications           | - BCom, MEd, PhD, FCPA, FCCA                                  |
| Experience               | - Professor in Faculty of Business and Law, Deakin University |
| Special Responsibilities | - AFAANZ Board Member - President (Australia)                 |

**Paul de Lange**

- |                          |   |
|--------------------------|---|
| Qualifications           | - B.Ed, Grad Dip Acc, M.Bus.Acc, PhD  |
| Experience               | - Associate Professor in Accounting, RMIT University  |
| Special Responsibilities | - AFAANZ Board Member - Co-Chair Conference Technical Committee from 1 August 2008 and SIGS Portfolio |

**Ian Eggleton**

- |                          |   |
|--------------------------|---|
| Qualifications           | - BCA (Hons), MBA, PhD, CMANZ, FCPA, ACANZ, ACIS  |
| Experience               | - Professor in the Department of Accounting, Waikato Management School, The University of Waikato (New Zealand) |
| Special Responsibilities | - AFAANZ Board Member - President (New Zealand) and Research Portfolio  |

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**DIRECTORS' REPORT (cont'd)**

**INFORMATION ON DIRECTORS (Continued)**

**Robert Faff**

- Qualifications - BCom, MBus, PhD
- Experience - Professor of Finance at Monash University
- Special Responsibilities - Editor of AFAANZ journal (Accounting & Finance)

**David Hay**

- Qualifications - PhD, CA
- Experience - Professor and Deputy Head in the Department of Accounting and Finance, The University of Auckland
- Special Responsibilities - AFAANZ Board Member - Co-Chair Conference Technical Committee until 1 August 2008 and President Elect (New Zealand)

**Christine Jubb**

- Qualifications - Grad Dip Ed, Bus (Accounting), Grad Dip Sc in App Statistics, PhD
- Experience - Chair in Accounting and Associate Head of School (Research), Deakin University
- Special Responsibilities - AFAANZ Board Member - Practice and Education Portfolios

**David Lont**

- Qualifications - BCom (Hons), PhD (Otago), CA
- Experience - Senior Lecturer, Department of Accountancy And Business Law, University of Otago
- Special Responsibilities - AFAANZ Board Member - Practice and Education Portfolios

**Robyn Moroney**

- Qualifications - BEc Hons, MCom, PhD
- Experience - Senior Lecturer, Monash University
- Special Responsibilities - AFAANZ Board Member - Co-Chair Conference Technical Committee

**Jennifer Stewart**

- Qualifications - BBS, MEc, PhD, CPA
- Experience - Professor, Griffith University, Griffith Business School, Department of Accounting, Finance and Economics
- Special Responsibilities - AFAANZ Board Member - Co-Chair Conference Technical Committee until 1 August 2008 (retired)

**Cheryl Umoh**

- Qualifications - BA
- Experience - Executive Director, AFAANZ
- Special Responsibilities - AFAANZ Board Member - Executive Director from 15 May 2006

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**DIRECTORS' REPORT (cont'd)**

**INFORMATION ON DIRECTORS (Continued)**

**Sue Wright**

- Qualifications - BA (Hons), PhD, AAIBF
- Experience - Senior Lecturer in the Department of Accounting and Finance,  
Macquarie University
- Special Responsibilities - AFAANZ Board Member - Treasurer and Research Portfolio

**Meetings of Directors**

DIRECTORS	DIRECTORS' MEETINGS	
	Number eligible to attend	Number attended
Keryn Chalmers	3	3
Barry J. Cooper	3	2
Paul de Lange	3	2
Ian Eggleton	3	3
Robert Faff	3	2
David Hay	3	2
Christine Jubb	3	3
David Lont (Appointed 1 August 2008)	1	1
Robyn Moroney	3	3
Jennifer Stewart (Retired 31 July 2008)	2	1
Cheryl Umoh	3	3
Sue Wright	3	3

**Options**

No options over unissued shares or interests in the company were granted during or since the end of the year and there were no options outstanding at the end of the year.

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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DIRECTORS' REPORT (cont'd)

**Indemnification of Officer**

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an officer or auditor of the company.

**Auditor's Independence Declaration**

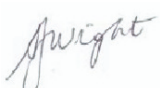
A copy of the auditor's declaration under section 307C in relation to the audit for the financial year is provided with this report.


**Proceedings on Behalf of the Company**

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

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

Director   
\_\_\_\_\_  
Sue Wright

Director   
\_\_\_\_\_  
Barry J. Cooper

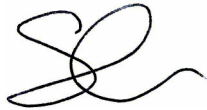
Dated this 31<sup>st</sup> day of March 2009

## AUDITOR'S INDEPENDENCE DECLARATION

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

In relation to the independent audit for the year ended 31 December 2008, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*.
- (ii) No contraventions of any applicable code of professional conduct.



S D WHITCHURCH  
Partner  
Date 31 March 2009

PITCHER PARTNERS  
Melbourne



**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
LIMITED  
ACN 091 255 908**

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
Other income	3	<u>897,314</u>	<u>788,582</u>
Employee benefits expense		(93,761)	(92,179)
Depreciation and amortisation expenses	4	(10,415)	(10,878)
Conference expenses		(346,046)	(227,443)
Research Grants		(150,000)	(139,395)
PhD scholarships		(30,000)	(30,000)
Doctoral consortium (colloquium) expenses		(54,844)	(48,601)
Meeting expenses		(14,162)	(25,858)
Administration expenses		(20,269)	(21,916)
Accounting & finance journal expenses		(44,403)	(45,597)
AFAANZ Reps		(6,727)	(18,036)
Rent expense		(29,608)	(28,296)
Other expenses		<u>(32,182)</u>	<u>(14,715)</u>
		<u>(832,417)</u>	<u>(702,914)</u>
<b>Profit before income tax expense (income tax benefit)</b>		64,897	85,668
Income tax benefit (income tax expense)	1 (e)	<u>-</u>	<u>-</u>
<b>Profit from continuing operations</b>		<u><u>64,897</u></u>	<u><u>85,668</u></u>

The accompanying notes form part of these financial statements.

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
LIMITED  
ACN 091 255 908**

**BALANCE SHEET  
AS AT 31 DECEMBER 2008**

	Notes	2008 \$	2007 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	726,693	578,896
Trade receivables	7	3,240	4,993
Other	8	<u>41,782</u>	<u>31,562</u>
<b>TOTAL CURRENT ASSETS</b>		<u>771,715</u>	<u>615,451</u>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	<u>20,525</u>	<u>28,102</u>
<b>TOTAL NON-CURRENT ASSETS</b>		<u>20,525</u>	<u>28,102</u>
<b>TOTAL ASSETS</b>		<u>792,240</u>	<u>643,553</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	292,732	214,348
Provisions	11	161,772	157,909
Other	12	<u>4,225</u>	<u>4,225</u>
<b>TOTAL CURRENT LIABILITIES</b>		<u>458,729</u>	<u>376,482</u>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	11	<u>4,556</u>	<u>3,013</u>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>4,556</u>	<u>3,013</u>
<b>TOTAL LIABILITIES</b>		<u>463,285</u>	<u>379,495</u>
<b>NET ASSETS</b>		<u>328,955</u>	<u>264,058</u>
<b>EQUITY</b>			
Retained earnings	13	<u>328,955</u>	<u>264,058</u>
<b>TOTAL EQUITY</b>		<u>328,955</u>	<u>264,058</u>

The accompanying notes form part of these financial statements.

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	2008	2007
		\$	\$
<b>Total equity at the beginning of the financial year</b>		<u>264,058</u>	<u>178,390</u>
<b>Profit for the year</b>		<u>64,897</u>	<u>85,668</u>
<b>Total recognised income and expense for the year</b>		<u>64,897</u>	<u>85,668</u>
<b>Total equity at the end of the financial year</b>		<u><u>328,955</u></u>	<u><u>264,058</u></u>

The accompanying notes form part of these financial statements.

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	<b>Notes</b>	<b>2008</b>	<b>2007</b>
		\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts in the course of operations		315,520	221,020
Sponsorship by professional accounting bodies		183,244	103,414
Conference income		383,447	343,049
Other cash inflows		57,270	52,954
Interest received		55,941	34,099
Cash payments in the course of operations		(800,625)	(542,441)
Payments to memberships - PHD scholarships & AAA consortium		(30,000)	(30,000)
Payments for executive expenses		<u>(14,162)</u>	<u>(25,858)</u>
Net cash provided by operating activities	18 (b)	<u>150,635</u>	<u>156,237</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payment for property, plant and equipment		<u>(2,838)</u>	-
Net cash used in investing activities		<u>(2,838)</u>	-
Net increase in cash held		147,797	156,237
Cash at beginning of financial year		<u>578,896</u>	<u>422,659</u>
Cash at end of financial year	18 (a)	<u>726,693</u>	<u>578,896</u>

The accompanying notes form part of these financial statements.

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report was approved by the directors as at the date of the directors' report.

The financial report is for the entity Accounting and Finance Association of Australia and New Zealand Limited as an individual entity. Accounting and Finance Association of Australia and New Zealand Limited is a company limited by shares, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the company in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Basis of preparation of the financial report**

*Compliance with IFRS*

Australian Accounting Standards include Australian Equivalents to International Financial Reporting Standards (AIFRSs). Compliance with AIFRS ensures compliance with International Financial Reporting Standards (IFRSs).

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets as described in the accounting policies.

**(b) Revenue**

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Royalties revenue is recognised when the right to receive royalty revenue has been established.

Sponsorship and membership income received is recognised as income in the period to which the sponsorship or membership relates to. As a result at balance date deferred income may be recognised within the balance sheet.

Interest revenue is recognised when it becomes receivable on a proportional basis taking in to account the interest rates applicable to the financial assets.

Other revenue is recognised when the right to receive the revenue has been established.

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

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(c) Plant and Equipment**

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

*Plant and equipment*

Plant and equipment is measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to present values in determining recoverable amounts.

*Depreciation*

The depreciable amount of all fixed assets are depreciated over their estimated useful lives to the company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of assets are:

Class of fixed asset	Depreciation rates	Depreciation basis
Plant and equipment	20 - 33.33 %	Diminishing Value

**(d) Leases**

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

*Operating leases*

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

**(e) Income Tax**

The Accounting and Finance Association of Australia and New Zealand Limited is exempt from income tax in accordance with the provisions of the Income Tax Assessment Act. The Accounting and Finance Association of Australia and New Zealand Limited is a not for profit entity.

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Employee Benefits**

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date.

Contributions are made by the company to an employee superannuation fund are recognised in the balance sheet as a liability, after deducting any contributions already paid and in the income statement as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

**(g) Finance Costs**

Finance costs can include interest, amortisation of discounts or premiums relating to borrowings, ancillary costs incurred in connection with arrangement of borrowings, foreign exchange losses net of hedged amounts on borrowings, including trade creditors and lease finance charges.

Finance costs are expensed as incurred.

**(h) Impairment of assets**

Assets with an indefinite useful life are not amortised but are tested annually for impairment in accordance with AASB 136. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired. An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

**(i) Comparative Figures**

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

**(j) Financial Instruments**

*Classification*

The company classifies its financial instruments in the following categories: financial assets at fair value through profit and loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

*Held-to-maturity investments*

Fixed term investments with an intention to be held to maturity are classified as held-to-maturity investments. They are measured at amortised cost using the effective interest rate method.

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

Non-interest bearing loans and receivables are designated as receivable 'at call' and are therefore recognised at their face value at inception.

*Financial liabilities*

Financial liabilities include trade payables, other creditors and loans from third parties including inter-company balances and loans from or other amounts due to director-related entities.

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

Non-interest bearing loans and payables are payable on demand and are therefore recognised at their face value at inception.

**NOTE 2: NEW ACCOUNTING STANDARDS AND INTERPRETATIONS**

A number of accounting standards and interpretations have been issued at the reporting date but are not yet effective. The directors have not yet assessed the impact of these standards or interpretations.

**NOTE 3: REVENUE**

**Operating activities**

- rendering of services		807,415	725,473
- interest	3(a)	55,941	34,099
- other revenue		<u>33,958</u>	<u>29,010</u>
Total revenue		<u>897,314</u>	<u>788,582</u>

(a) Interest from:

- other persons		<u>55,941</u>	<u>34,099</u>
		<u>55,941</u>	<u>34,099</u>



**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
<b>NOTE 4: PROFIT FROM CONTINUING ACTIVITIES</b>			
Profit / (losses) before income tax has been determined after:			
Expenses:			
Depreciation of non-current assets			
- Plant and equipment		10,415	10,878
Remuneration of the auditors for:			
- audit services		9,000	4,266
Rental expense on operating leases		29,608	28,296
Research grant expenditure		<u>148,221</u>	<u>139,395</u>

**NOTE 5: KEY MANAGEMENT PERSONNEL COMPENSATION**

Compensation received by key management personnel of the company

- short-term employee benefits		78,761	77,179
- other		<u>15,000</u>	<u>15,000</u>
		93,761	92,179

The names of directors who have held office during the year are:

Keryn Chalmers  
Barry J. Cooper  
Paul de Lange  
Ian Eggleton  
Robert Faff  
David Hay  
Christine Jubb  
David Lont  
Robyn Moroney  
Jennifer Stewart  
Cheryl Umoh  
Sue Wright

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
LIMITED  
ACN 091 255 908**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
<b>NOTE 6: CASH AND CASH EQUIVALENTS</b>			
Cash on hand		350	-
Cash at bank		301,192	170,309
Cash on deposit		<u>425,151</u>	<u>408,587</u>
		<u><u>726,693</u></u>	<u><u>578,896</u></u>
 <b>NOTE 7: RECEIVABLES</b>			
<b>CURRENT</b>			
Trade debtors		1,020	2,773
Deposits paid		<u>2,220</u>	<u>2,220</u>
		<u><u>3,240</u></u>	<u><u>4,993</u></u>
 <b>NOTE 8: OTHER ASSETS</b>			
<b>CURRENT</b>			
Prepayments		20,855	25,853
Other current assets		<u>20,927</u>	<u>5,709</u>
		<u><u>41,782</u></u>	<u><u>31,562</u></u>
 <b>NOTE 9: PLANT AND EQUIPMENT</b>			
<b>Plant and Equipment</b>			
Plant and equipment			
At cost		72,676	69,838
Less accumulated depreciation		<u>(52,151)</u>	<u>(41,736)</u>
		<u><u>20,525</u></u>	<u><u>28,102</u></u>

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
<b>NOTE 9: PLANT AND EQUIPMENT (Continued)</b>			
<b>(a) Movements in Carrying Amounts</b>			
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year			
			<b>Plant &amp; equipment \$</b>
<b>2008</b>			
Balance at the beginning of the year			28,102
Additions			2,838
Depreciation expense			<u>(10,415)</u>
Carrying amount at end of year			<u><u>20,525</u></u>
<b>2007</b>			
Balance at the beginning of the year			38,980
Depreciation expense			<u>(10,878)</u>
Carrying amount at the end of the year			<u><u>28,102</u></u>

**NOTE 10: PAYABLES**

**CURRENT**

*Unsecured liabilities*

Trade creditors	9,834	36,508
Sundry creditors and accruals	1,975	(2,949)
Fees owed to SIG's	52,503	51,135
Accruals	42,058	55,584
Sponsorships in advance	15,268	-
Fees in advance	165,670	69,365
Credit card	<u>5,424</u>	<u>4,705</u>
	<u><u>292,732</u></u>	<u><u>214,348</u></u>

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
LIMITED  
ACN 091 255 908**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
<b>NOTE 11: PROVISIONS</b>			
CURRENT			
Employee benefits	(a)	11,772	7,909
Research grants		<u>150,000</u>	<u>150,000</u>
		<u>161,772</u>	<u>157,909</u>
NON-CURRENT			
Employee benefits	(a)	<u>4,556</u>	<u>3,013</u>
		<u>4,556</u>	<u>3,013</u>
(a) Aggregate employee benefits liability		<u>16,328</u>	<u>10,922</u>
<b>NOTE 12: OTHER LIABILITIES</b>			
CURRENT			
Deposits payable		<u>4,225</u>	<u>4,225</u>
		<u>4,225</u>	<u>4,225</u>
<b>NOTE 13: RETAINED PROFITS</b>			
Retained profits at the beginning of the financial year		264,058	178,390
Net profit attributable to members of the entity		<u>64,897</u>	<u>85,668</u>
Retained profits at the end of the financial year		<u>328,955</u>	<u>264,058</u>
<b>NOTE 14: CAPITAL AND LEASING COMMITMENTS</b>			
(a) Operating lease commitments			
Non-cancellable operating leases contracted for but not capitalised in the financial statements:			
Payable			
- not later than one year		30,663	29,489
- later than one year and not later than five years		<u>10,338</u>	<u>41,001</u>
		<u>41,001</u>	<u>70,490</u>

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
LIMITED  
ACN 091 255 908**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
<b>NOTE 15: CONTINGENT LIABILITIES</b>			
Estimates of the maximum amounts of contingent liabilities that may become payable:			
Guarantee by bank facility		<u>9,768</u>	<u>9,768</u>

**NOTE 16: MEMBERS GUARANTEE**

The company is 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 company. At 31 December 2008 the number of members was 769 (2007: 624).

**NOTE 17: SEGMENT REPORTING**

The Association operates predominantly in one industry being the accounting and finance sector. The principle activities of the Association is to provide a non-profit association for the accounting and finance industry.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 \$	2007 \$
<b>NOTE 18: CASH FLOW INFORMATION</b>			
(a) Reconciliation of cash			
For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.			
Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the balance sheet as follows:			
Cash on hand		350	-
Cash at bank		301,192	170,309
Deposits at call		<u>425,151</u>	<u>408,587</u>
		<u><u>726,693</u></u>	<u><u>578,896</u></u>
 (b) Reconciliation of cash flow from operations with profit after income tax			
Profit from ordinary activities after income tax		64,897	85,668
Non-cash flows in profit from ordinary activities			
Depreciation		10,415	10,878
Changes in assets and liabilities			
(Increase)/decrease in receivables		(13,465)	1,111
Decrease in unearned income		96,305	26,130
(Increase)/decrease in sponsorships received in advance		15,268	(61,287)
Increase/(decrease) in payables		(38,113)	52,184
Increase/(decrease) in prepayments		4,998	(12,400)
(Increase)/decrease in GST receivable		4,924	(2,784)
Increase in provisions		<u>5,406</u>	<u>56,737</u>
Cash flows from operations		<u><u>150,635</u></u>	<u><u>156,237</u></u>
 (c) Credit Standby Arrangements with Banks			
Credit facility		10,000	10,000
Amount utilised		<u>(5,424)</u>	<u>(4,705)</u>
Unused credit facility		<u><u>4,576</u></u>	<u><u>5,295</u></u>

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTE 19: FINANCIAL INSTRUMENTS**

**(a) Interest rate risk**

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

2008				
Financial Instruments	Floating interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	\$	\$	\$	%
<i>(i) Financial assets</i>				
Cash	726,693	-	726,693	7.6
Trade and other receivables	-	3,240	3,240	-
Other current assets	-	41,782	41,782	-
Total financial assets	726,693	45,022	771,715	

2008				
Financial Instruments	Floating interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	\$	\$	\$	%
<i>(ii) Financial liabilities</i>				
Trade creditors	-	9,834	9,834	-
Other creditors	-	230,395	230,395	-
Payable - other related parties	-	52,503	52,503	-
Total financial liabilities	-	292,732	292,732	

2007				
Financial Instruments	Floating interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	\$	\$	\$	%
<i>(iii) Financial assets</i>				
Cash	578,896	-	578,896	3.7
Trade and other receivables	-	7,942	7,942	-
Other current assets	-	28,613	28,613	-
Total financial assets	578,896	36,555	615,451	

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED**  
**ACN 091 255 908**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

**NOTE 19: FINANCIAL INSTRUMENTS (Continued)**

2007				
Financial Instruments	Floating interest rate	Non-interest bearing	Total carrying amount as per the balance sheet	Weighted average effective interest rate
	\$	\$	\$	%
<i>(iv) Financial liabilities</i>				
Trade creditors and accruals	-	87,643	87,643	-
Other creditors	-	126,705	126,705	-
Total financial liabilities	-	214,348	214,348	

**(b) Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provisions for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

**(c) Net Fair Values**

The net fair value of financial assets and financial liabilities approximates their carrying values as disclosed in the balance sheet and notes to the financial statements.

Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date.

**NOTE 20: COMPANY DETAILS**

The registered office of the company is:  
 Accounting and Finance Association of Australia and New Zealand Limited  
 Level 1  
 156 Bouverie St  
 CARLTON VIC 3053



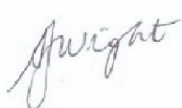
**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
LIMITED  
ACN 091 255 908**

**DIRECTORS' DECLARATION**


The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 22, are in accordance with the *Corporations Act 2001*:
  - (a) comply with Accounting Standards in Australia and the *Corporations Regulations 2001*; and
  - (b) give a true and fair view of the financial position as at 31 December 2008 and performance for the year ended on that date of the company.
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 \_\_\_\_\_  
Sue Wright



Director \_\_\_\_\_  
Barry J. Cooper

Dated this 31<sup>st</sup> day of March 2009

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
LIMITED  
ACN 091 255 908**

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

We have audited the accompanying financial report of Accounting and Finance Association of Australia and New Zealand Limited, which comprises the Balance Sheet as at 31 December 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

*Directors' Responsibility for the Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility 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.

In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

*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 in 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 and fair presentation of the financial report 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 *Corporations Act 2001*.

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND  
LIMITED  
ACN 091 255 908

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

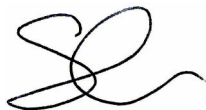
*Auditor's Opinion*

In our opinion,

(a) the financial report of Accounting and Finance Association of Australia and New Zealand Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2008 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.



S D WHITCHURCH

Partner

Date 31 March 2009



PITCHER PARTNERS

Melbourne

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED  
ACN 091 255 908**

**DISCLAIMER  
TO THE MEMBERS OF  
ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED**

The additional financial data presented on pages 27 is in accordance with the books and records of the company which have been subjected to the auditing procedures applied in our statutory audit of the company for the year ended 31 December 2008. 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 Accounting and Finance Association of Australia and New Zealand Limited) in respect of such data, including any errors of omissions therein however caused.

PITCHER PARTNERS



Partner

Melbourne

31 March, 2009

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED**  
**ACN 091 255 908**

**ADDITIONAL INFORMATION FOR THE MEMBERS**  
**ON THE 2008 FINANCIAL STATEMENTS**

**TRADING AND PROFIT & LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**

	<b>2008</b>	<b>2007</b>
	<b>\$</b>	<b>\$</b>
<b>INCOME</b>		
Sponsorship by professional bodies	167,976	164,701
Conference income	383,447	343,049
Doctoral consortium (colloquium) income	45,072	30,259
Member & Institutional fees	210,920	187,464
Interest	55,941	34,099
Other income including royalties & rent	<u>33,958</u>	<u>29,010</u>
<b>TOTAL INCOME</b>	<b>897,314</b>	<b>788,582</b>
<b>LESS EXPENSES</b>		
Administration costs	20,827	21,916
AFAANZ Reps	6,727	18,036
Audit fees	9,000	4,266
Bank charges	12,158	3,776
Conference expenses	340,525	227,443
Depreciation	10,415	10,878
Doctoral consortium (colloquium) expenses	54,844	48,601
Meeting expenses	14,162	25,858
Insurance	3,713	4,225
Journal expenses - Accounting and Finance	46,903	45,597
Manuscript award	-	160
PhD Scholarships	30,000	30,000
Professional fees	9,204	2,288
Rent	29,608	28,296
Research grants	148,221	139,395
Salaries and wages	87,086	85,502
Sundry expenses	2,349	-
Superannuation	<u>6,675</u>	<u>6,677</u>
<b>TOTAL EXPENSES</b>	<b><u>832,417</u></b>	<b><u>702,914</u></b>
<b>OPERATING PROFIT BEFORE INCOME TAX</b>	<b><u>64,897</u></b>	<b><u>85,668</u></b>

These financial statements should be read in conjunction with the attached Disclaimer.