

**Accounting and Finance
Association of Australia
and New Zealand Limited
ABN 67 091 255 908**

Financial report
For the year ended 31 December 2009

Pitcher Partners
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ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

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 2009 and auditors report thereon.

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 (Retired 31 July 2009)

Paul de Lange

Ian Eggleton (Retired 31 July 2009)

Robert Faff

David Hay

Christine Jubb

David Lont

Robyn Moroney

Deryl Northcott (Appointed 1 August 2009)

Brad Potter (Appointed 1 August 2009)

Cheryl Umoh

Sue Wright

The 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 \$96,975.

Review of operations

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.

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
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DIRECTORS' 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.

After balance date events

Particulars of matters or circumstances that 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 are as follows:

During the year the Australian Taxation Office (ATO) has examined the tax status of the entity. After balance date the ATO have advised that they are of the opinion that AFAANZ exists for the purpose of providing benefits to its members.

The Directors will continue to negotiate with the ATO regarding any taxation liability.

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 and company secretary

Keryn Chalmers

Qualifications	- BCom, Post Grad Dip in Applied Fin and Invest (SIA), PhD, SF (Fin), CPA
Experience	- Professor in the Department of Accounting and Finance, Monash University
Special responsibilities	- AFAANZ Board Member - Relationship Management (Australia) Portfolio, President Elect until 31 July 2009, and President (Australia) from 1 August 2009

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
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DIRECTORS' REPORT

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) (Retired 31 July 2009)

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 and Education Portfolios

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 (Retired 31 July 2009)

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, FCA
Experience - Professor and Head of Department of Accounting and Finance, The University of Auckland
Special responsibilities - AFAANZ Board Member - Relationship Management (New Zealand), President Elect until 31 July 2009 and President (New Zealand) from 1 August 2009

Christine Jubb

- Qualifications - Grad Dip Ed, BBus (Accounting), MBA, Grad Dip Sc in App Statistics, PhD, CPA, CA
Experience - Research Fellow, Australian National Centre for Audit and Assurance Research, Australian National University.
Special responsibilities - AFAANZ Board Member - Treasurer, Practice, Research and Education Portfolios

David Lont

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

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
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DIRECTORS' REPORT

Robyn Moroney

- Qualifications - BEc Hons, MCom, PhD, CA, CPA
Experience - Associate Professor, Monash University
Special responsibilities - AFAANZ Board Member - Co-Chair Conference Technical Committee and Research Portfolio

Deryl Northcott

- Qualifications - Bachelor of Management Studies (Hons), PhD, CA
Experience - Professor, Discipline of Accounting, Auckland University of Technology
Special responsibilities - AFAANZ Board Member - SIGS Portfolio

Brad Potter

- Qualifications - BCom (Hons), PhD, CPA
Experience - Associate Professor, Department of Accounting and Business Information Systems, The University of Melbourne
Special responsibilities - AFAANZ Board Member - Education Portfolio

Cheryl Umoh

- Qualifications - BA
Experience - Executive Director and Company Secretary, AFAANZ
Special responsibilities - AFAANZ Board Member - Executive Director from 15 May 2006

Sue Wright

- Qualifications - BA (Hons), PhD
Experience - Associate Professor in the Department of Accounting and Finance, Macquarie University
Special responsibilities - AFAANZ Board Member - Treasurer and Research Portfolio

DIRECTORS' REPORT

Meetings of directors

Directors	Directors' meetings	
	Number eligible to attend	Number attended
Keryn Chalmers	4	4
Barry J. Cooper	2	2
Paul de Lange	4	4
Ian Eggleton	2	2
Robert Faff	4	3
David Hay	4	4
Christine Jubb	4	3
David Lont	4	4
Robyn Moroney	4	4
Deryl Northcott	2	2
Brad Potter	2	1
Cheryl Umoh	4	4
Sue Wright	4	4

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.

Indemnification of officers

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.


ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

DIRECTORS' REPORT

Signed in accordance with a resolution of the board of directors.

Director: 

Keryn Chalmers

Director: 

Sue Wright

Dated this 8th day of April 2010



PITCHER PARTNERS

An independent Victorian Partnership
ABN 27 975 255 196

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW
ZEALAND LIMITED
ABN 67 091 255 908**

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ACCOUNTING AND FINANCE ASSOCIATION OF
AUSTRALIA AND NEW ZEALAND LIMITED**

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 2009, to the best of my knowledge and belief there have been:

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

S D WHITCHURCH
Partner

Date: 8 April 2010

PITCHER PARTNERS
Melbourne

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDING 31 DECEMBER 2009

		2009	2008
		\$	\$
Other revenue	4	884,143	897,314
Less: expenses			
Conference expenses		(273,772)	(340,095)
Depreciation and amortisation	5	(10,035)	(10,415)
Employee benefits		(103,841)	(93,379)
Occupancy expenses		(2,500)	(2,500)
Research Grants	5	(138,208)	(148,221)
PhD scholarships		(30,000)	(30,000)
Doctoral consortium (colloquium) expenses		(44,063)	(54,844)
Meeting expenses		(14,684)	(14,162)
Administration expenses		(16,221)	(20,827)
Accounting and finance journal expenses		(45,000)	(46,903)
AFAANZ Reps		(9,023)	(4,227)
Rent expense		(30,787)	(29,608)
Award expenses		(15,123)	(430)
Other expenses		(53,911)	(36,806)
		<u>(787,168)</u>	<u>(832,417)</u>
Surplus before income tax expense		96,975	64,897
Net surplus from continuing operations		<u>96,975</u>	<u>64,897</u>
Surplus for the year		<u><u>96,975</u></u>	<u><u>64,897</u></u>

The accompanying notes form part of these financial statements.

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2009

		2009	2008
		\$	\$
Current assets			
Cash and cash equivalents	7	904,915	726,693
Trade and other receivables	8	3,500	3,240
Other current assets	10	<u>8,520</u>	<u>41,782</u>
Total current assets		<u>916,935</u>	<u>771,715</u>
Non-current assets			
Plant and equipment	9	<u>13,510</u>	<u>20,525</u>
Total non-current assets		<u>13,510</u>	<u>20,525</u>
Total assets		<u>930,445</u>	<u>792,240</u>
Current liabilities			
Trade and other payables	11	324,698	292,732
Provisions	12	175,592	161,772
Other current liabilities		<u>4,225</u>	<u>4,225</u>
Total current liabilities		<u>504,515</u>	<u>458,729</u>
Non-current liabilities			
Provisions	12	<u>-</u>	<u>4,556</u>
Total non-current liabilities		<u>-</u>	<u>4,556</u>
Total liabilities		<u>504,515</u>	<u>463,285</u>
Net assets		<u>425,930</u>	<u>328,955</u>
Equity			
Accumulated surplus	13	<u>425,930</u>	<u>328,955</u>
Total equity		<u>425,930</u>	<u>328,955</u>

The accompanying notes form part of these financial statements.

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDING 31 DECEMBER 2009

	2009	2008
	\$	\$
Total equity		
Balance at beginning of the year	328,955	264,058
Movements in equity from:		
Accumulated surplus	<u>96,975</u>	<u>64,897</u>
Balance at the end of the year	<u>425,930</u>	<u>328,955</u>
Accumulated surplus		
Balance at beginning of the year	328,955	264,058
Surplus for the year	<u>96,975</u>	<u>64,897</u>
Total comprehensive income	<u>425,930</u>	<u>328,955</u>
Balance at the end of the year	<u>425,930</u>	<u>328,955</u>

The accompanying notes form part of these financial statements.

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 DECEMBER 2009

	2009	2008
	\$	\$
Cash flow from operating activities		
Cash receipts in the course of operations	263,021	315,520
Sponsorship by professional accounting bodies	156,000	183,244
Conference income	352,551	383,447
Other cash inflows	86,958	57,270
Interest received	34,656	55,941
Cash payments in the course of operations	(667,260)	(800,625)
Payments to memberships - PhD scholarships and AAA consortium	(30,000)	(30,000)
Payments for executive expenses	<u>(14,684)</u>	<u>(14,162)</u>
Net cash provided by operating activities	14(b) <u>181,242</u>	<u>150,635</u>
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	-	(2,838)
Payment for plant and equipment	<u>(3,020)</u>	<u>-</u>
Net cash provided by / (used in) investing activities	<u>(3,020)</u>	<u>(2,838)</u>
Reconciliation of cash		
Cash at beginning of the financial year	726,693	578,896
Net increase in cash held	<u>178,222</u>	<u>147,797</u>
Cash at end of financial year	14(a) <u><u>904,915</u></u>	<u><u>726,693</u></u>

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a general purpose financial report that has been prepared in accordance with Australian 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. Compliance with Australian equivalents to International Financial Reporting Standards 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 members.

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

Sponsorship and membership revenue 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).

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Borrowing costs

Borrowing 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.

Borrowing costs are expensed as incurred.

(d) Income tax

In prior years the Directors have applied the exemption provisions of the Income Tax Assessment Act.

During the current year the Australian Taxation Office (ATO) has examined the tax status of the entity.

After balance date, the ATO has advised that it is of the opinion that AFAANZ exists for the purpose of providing benefits to its members, refer to Note 16 Contingent Liabilities.

(e) Financial instruments

Classification

The company classifies its financial assets into 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.

Held-to-maturity investments

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

Loans and receivables

Loans and receivables are measured at fair value at inception and subsequently at amortised cost using the effective interest rate method.

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.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Impairment

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.

(g) 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.

Class of fixed asset	Depreciation rates	Depreciation basis
Plant and equipment at cost	20 - 33.33%	Diminishing value

(h) 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.

Lease incentives received under operating leases are recognised as a liability. Lease payments received reduce the liability.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Employee benefits

Liabilities arising in respect of wages and salaries, annual leave, accumulated 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 made by the company to an employee superannuation fund. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

(j) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

(k) 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 out flow of economic benefits will result and that outflow can be reliably measured.

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: FINANCIAL RISK MANAGEMENT

The company is exposed to a variety of financial risks comprising:

- (a) Interest rate risk
- (b) Credit risk

The board of directors has overall responsibility for identifying and managing operational and financial risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

The company's exposure to interest rate risk in relation to future cashflows and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDING 31 DECEMBER 2009

NOTE 3: FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Interest rate risk (Continued)

2009

Financial instruments	Interest bearing	Non-interest bearing	Total carrying amount	Weighted average effective interest rate
	\$	\$	\$	
<i>Financial assets</i>				
Cash	904,915	-	904,915	4.6 %
Debtors	-	3,500	3,500	0.0 %
Other receivables	-	8,520	8,520	0.0 %
	<u>904,915</u>	<u>12,020</u>	<u>916,935</u>	
<i>Financial liabilities</i>				
Creditors	-	6,104	6,104	0.0 %
Related party payables	-	49,924	49,924	0.0 %
Other payables	-	267,472	267,472	0.0 %
	<u>-</u>	<u>323,500</u>	<u>323,500</u>	

2008

<i>Financial assets</i>				
Cash	726,693	-	726,693	7.6 %
Debtors	-	3,240	3,240	0.0 %
Other receivables	-	41,782	41,782	0.0 %
	<u>726,693</u>	<u>45,022</u>	<u>771,715</u>	
<i>Financial liabilities</i>				
Creditors	-	9,834	9,834	0.0 %
Related party payables	-	52,503	52,503	0.0 %
Other payables	-	230,395	230,395	0.0 %
	<u>-</u>	<u>292,732</u>	<u>292,732</u>	

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

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

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

	2009	2008
	\$	\$
 NOTE 4: REVENUE		
Rendering of services	807,045	807,415
Interest income	34,656	55,941
Other revenue	<u>42,442</u>	<u>33,958</u>
	<u><u>884,143</u></u>	<u><u>897,314</u></u>
 NOTE 5: OPERATING PROFIT		
Profit / (losses) before income tax has been determined after:		
Expenses:		
Depreciation	10,035	10,415
Remuneration of auditors for:		
Auditor's remuneration - audit fees	8,000	9,000
Auditor's remuneration - other services	<u>7,420</u>	<u>-</u>
	15,420	9,000
Research grant expenditure	138,208	148,221
Rental expense on operating leases	30,787	29,608
 NOTE 6: KEY MANAGEMENT PERSONNEL COMPENSATION		
- short-term employee benefits	85,406	78,761
- other	<u>15,000</u>	<u>15,000</u>
	<u><u>100,406</u></u>	<u><u>93,761</u></u>

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

NOTE 6: KEY MANAGEMENT PERSONNEL COMPENSATION (CONTINUED)

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

Name	Appointment / resignation details
Keryn Chalmers	
Barry J. Cooper	Retired 31 July 2009
Paul de Lange	
Ian Eggleton	Retired 31 July 2009
Robert Faff	
David Hay	
Christine Jubb	
David Lont	
Robyn Moroney	
Deryl Northcott	Appointed 1 August 2009
Brad Potter	Appointed 1 August 2009
Cheryl Umoh	
Sue Wright	

NOTE 7: CASH AND CASH EQUIVALENTS

Cash on hand	350	350
Cash at bank	440,706	301,192
Cash on deposit	<u>463,859</u>	<u>425,151</u>
	<u>904,915</u>	<u>726,693</u>

NOTE 8: RECEIVABLES

CURRENT

Trade debtors	1,280	1,020
Other receivables	<u>2,220</u>	<u>2,220</u>
	<u>3,500</u>	<u>3,240</u>

NOTE 9: PLANT AND EQUIPMENT

Plant and equipment

Plant and equipment at cost	65,605	72,676
Accumulated depreciation	<u>(52,095)</u>	<u>(52,151)</u>
	<u>13,510</u>	<u>20,525</u>
Total property, plant and equipment	<u>13,510</u>	<u>20,525</u>

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

	2009	2008
	\$	\$
NOTE 9: PLANT AND EQUIPMENT (CONTINUED)		
(a) Reconciliations		
Reconciliation of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year		
<i>Plant and equipment</i>		
Carrying amount at 1 January	20,525	28,102
Additions	3,020	2,838
Depreciation expense	<u>(10,035)</u>	<u>(10,415)</u>
Carrying amount at 31 December	<u><u>13,510</u></u>	<u><u>20,525</u></u>
NOTE 10: OTHER ASSETS		
CURRENT		
Prepayments	4,374	20,855
Accrued income	<u>4,146</u>	<u>20,927</u>
	<u><u>8,520</u></u>	<u><u>41,782</u></u>
NOTE 11: PAYABLES		
CURRENT		
<i>Unsecured liabilities</i>		
Trade creditors	6,104	9,834
Sundry creditors and accruals	97,509	49,457
Fees owed to SIGS	48,625	52,503
Sponsorship income in advance	-	15,268
Fee income in advance	<u>172,460</u>	<u>165,670</u>
	<u><u>324,698</u></u>	<u><u>292,732</u></u>
NOTE 12: PROVISIONS		
CURRENT		
Employee benefits	(a) 25,592	11,772
Research grants	<u>150,000</u>	<u>150,000</u>
	<u><u>175,592</u></u>	<u><u>161,772</u></u>
NON CURRENT		
Employee benefits	(a) <u>-</u>	<u>4,556</u>
(a) Aggregate employee benefits liability	25,592	16,328

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

	2009	2008
	\$	\$
 NOTE 13: ACCUMULATED SURPLUS		
Retained earnings (deficit) - beginning	328,955	264,058
Net profit	<u>96,975</u>	<u>64,897</u>
	<u>425,930</u>	<u>328,955</u>
 NOTE 14: CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position is as follows:		
Cash on hand	350	350
Cash at bank	440,706	301,192
At call deposits with financial institutions	<u>463,859</u>	<u>425,151</u>
	<u>904,915</u>	<u>726,693</u>
 (b) Reconciliation of cash flow from operations with profit after income tax		
Profit from ordinary activities after income tax	96,975	64,897
Non-cash items		
Depreciation	10,035	10,415
 Changes in assets and liabilities		
(Increase) / decrease in receivables	16,521	(13,465)
Increase / (decrease) in fee income in advance	6,790	96,305
Increase / (decrease) in sponsorship income received in advance	(15,268)	15,268
Increase / (decrease) in payables	34,793	(38,113)
(Increase) / decrease in prepayments	16,481	4,998
(Increase) / decrease in GST receivable	4,651	4,924
Increase / (decrease) in provisions	<u>9,264</u>	<u>5,406</u>
	<u>83,267</u>	<u>85,738</u>
Cash flows from operating activities	<u>180,242</u>	<u>150,635</u>

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

	2009	2008
	\$	\$

NOTE 15: CAPITAL AND LEASING COMMITMENTS

(a) Operating lease commitments

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

Payable		
- not later than one year	12,992	30,663
- later than one year and not later than five years	-	10,338
	<u>12,992</u>	<u>41,001</u>

General description of leasing arrangement

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

NOTE 16: CONTINGENT LIABILITIES

A contingent liability exists relative to any future claims which may be made against the company.

Estimates of the maximum amounts of contingent liabilities that may become payable:

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

During the year the Australian Taxation Office (ATO) has examined the tax status of the entity. After balance date the ATO have advised that they are of the opinion that AFAANZ exists for the purpose of providing benefits to its members.

The Directors will continue to negotiate with the ATO regarding any taxation liability.

The directors are also exploring their options under the principle of mutuality as it applies to member organisations.

Income tax has not been provided for within the financial statements due to the inability to reasonably quantify a taxation liability (if any) owing at the date of this report.

NOTE 17: EVENTS SUBSEQUENT TO REPORTING DATE

During the year the Australian Taxation Office (ATO) has examined the tax status of the entity. After balance date the ATO have advised that they are of the opinion that AFAANZ exists for the purpose of providing benefits to its members.

The Directors will continue to negotiate with the ATO regarding any taxation liability.

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2009

NOTE 18: MEMBERS' GUARANTEE

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 to a maximum of \$10 each towards meeting any outstandings and obligations of the company. At 31 December 2009 the number of members was 851.

NOTE 19: 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

DIRECTORS' DECLARATION


The directors of the company declare that:

1. The financial statements and notes, as set out on pages 12 - 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 2009 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: 

Keryn Chalmers

Director: 

Sue Wright

Dated this 8th day of April 2010



**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW
ZEALAND LIMITED
ABN 67 091 255 908**

**INDEPENDENT AUDIT 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 statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows 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.

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.



**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW
ZEALAND LIMITED
ABN 67 091 255 908**

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF ACCOUNTING AND FINANCE ASSOCIATION OF
AUSTRALIA AND NEW ZEALAND LIMITED**

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion, the financial report of Accounting and Finance Association of Australia and New Zealand Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2009 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

S D WHITCHURCH
Partner

Date: 8 April 2010

PITCHER PARTNERS
Melbourne

**ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW
ZEALAND LIMITED
ABN 67 091 255 908**

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

We have compiled the accompanying additional financial information in accordance with the books and records of Accounting and Finance Association of Australia and New Zealand Limited, which have been subject to auditing procedures applied in our statutory audit of Accounting and Finance Association of Australia and New Zealand Limited for the year ended 31 December 2009.

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 or omissions therein however caused.

The responsibility of the directors

The directors of Accounting and Finance Association of Australia and New Zealand Limited are solely responsible for the additional financial data and have determined that it is appropriate to meet their needs.

Our responsibility

Our procedures use accounting expertise to collect, classify and summarise the financial information provided to us, to compile the additional financial data in accordance with APES 315 Compilation of Financial Information. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.



S D WHITCHURCH
Partner

Melbourne

ACCOUNTING AND FINANCE ASSOCIATION OF AUSTRALIA AND NEW ZEALAND LIMITED
ABN 67 091 255 908

ADDITIONAL INFORMATION FOR THE MEMBERS
ON THE 2009 FINANCIAL STATEMENTS

TRADING AND PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009

	2009	2008
	\$	\$
Income		
Sponsorship by professional bodies	171,268	167,976
Conference income	352,551	383,447
Doctoral consortium (colloquium) income	43,575	45,072
Member and institutional fees	239,651	210,920
Interest income	34,656	55,941
Other income including royalties and rent	<u>42,442</u>	<u>33,958</u>
Total income	<u>884,143</u>	<u>897,314</u>
Less expenses		
Award expenses	15,123	430
Administration costs	16,221	20,827
AFAANZ Reps	11,523	6,727
Audit fees	15,420	9,000
Bank charges	6,214	12,158
Conference expenses	273,772	340,095
Depreciation	10,035	10,415
Doctoral consortium (colloquium) expenses	44,063	54,844
Meeting expenses	14,684	14,162
Insurance	3,769	4,095
Journal expenses - Accounting and Finance	45,000	46,903
PhD scholarships	30,000	30,000
Professional fees	17,708	9,204
Rent	30,787	29,608
Research grants	138,208	148,221
Salaries and wages	95,576	86,704
Education Project	10,000	-
Sundry expenses	800	2,349
Superannuation	<u>8,265</u>	<u>6,675</u>
Total expenses	<u>787,168</u>	<u>832,417</u>
Operating profit before income tax	<u>96,975</u>	<u>64,897</u>

This statement should be read in conjunction with the attached disclaimer.