

Accounting and Finance Association of Australia and New Zealand Limited

ABN 67 091 255 908

Financial Report

For the Year Ended 31 December 2023

Accounting and Finance Association of Australia and New Zealand Limited

ABN 67 091 255 908

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For the Year Ended 31 December 2023

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Accounting and Finance Association of Australia and New Zealand Limited

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Directors' Report 31 December 2023

Your directors present their report on the Company for the financial year ended 31 December 2023.

Directors

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

Nicola Beatson
David Bond
Li Chen (joined 1 August 2023)
Craig Deegan (joined 1 August 2023)
Michaela Rankin
Andrew Jackson (Resigned 31 July 2023)
Sumit Lodhia
Yaowen Shan
Lisa McManus (Resigned 31 July 2023)
Marvin Wee
Nives Botica Redmayne

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 promote the study of accounting and finance disciplines to members and non-members.
- To disseminate academic accounting and finance research related information of interest and/or importance to the profession and public at large.
- To provide education programs such as the doctoral symposium to members and non-members.
- 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.

Accounting and Finance Association of Australia and New Zealand Limited

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Directors' Report 31 December 2023

Strategies

To achieve these 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 2023, 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 on the Gold Coast with approximately 380 delegates attending from numerous countries;
- A Doctoral Symposium attended by 40 PhD candidates drawn from AFAANZ Institutional Members with an internationally renowned faculty;
- Awarding of approximately \$250,000 in research grants to successful applicants;
- Providing Conference support of approximately \$7,000 to Institutional members;
- Supporting 2 PhD students to the value of \$6,000 to attend the European Accounting Association's Colloquium and the American Accounting Association's Consortium; and
- Supporting and funding AFDEN, 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 that revenue has decreased during the financial year. The surplus for AFAANZ amounted to \$5,194 (2022: deficit of \$59,959) for the year.

Accounting and Finance Association of Australia and New Zealand Limited

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Directors' Report 31 December 2023

Information on Directors

Nicola Beatson

Qualifications

BCom, MCom, PhD

Experience

Senior Lecturer, University of Otago

Special Responsibilities

AFAANZ Board Member - President (New Zealand)

David Bond

Qualifications

BBus (Hons), PhD

Experience

Senior Lecturer, University of Technology Sydney

Special Responsibilities

AFAANZ Board Member - Co-chair Conference Technical Committee

Nives Botica Redmayne

Qualifications

B(Sc), PhD, FCA

Experience

Professor, Massey University

Special Responsibilities

AFAANZ Board Member – SIGs/Education & Member Services

Craig Deegan

Qualifications

BCom, MCom (Hons), PhD

Experience

Professor, University of Tasmania

Special Responsibilities

AFAANZ Board Member – SIGs/Education & Member Services

Li Chen

Qualifications

BCom (Hons), PhD

Experience

Associate Professor, Australian National University

Special Responsibilities

AFAANZ Board Member – Co-chair Conference Technical Committee

Andrew Jackson

Qualifications

BCA, MCA, PhD, AMusTCL, CA

Experience

Associate Professor, UNSW Australia

Special Responsibilities

AFAANZ Board Member – President (Australia)

Sumit Lodhia

Qualifications

BA, PGD A&F Management, MA, PhD

Experience

Professor, University of South Australia

Special Responsibilities

AFAANZ Board Member – Doctoral Symposium Co-Director

Lisa McManus

Qualifications

B.Bus(Acc), B.Bus(Hons.IA), PhD

Experience

Professor, Queensland University of Technology

Special Responsibilities

AFAANZ Board Member - SIGs/Education & Member Services

Michaela Rankin

Qualifications

BBus(Hons), MEcon, PhD, GCHE

Experience

Professor, Monash University

Special Responsibilities

AFAANZ Board Member – Doctoral Symposium Co-Director

Accounting and Finance Association of Australia and New Zealand Limited

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Directors' Report 31 December 2023

Yaowen Shan

Qualifications

Experience

Special Responsibilities

B.Ec, M.Com(Hons), PhD

Professor, University of Technology, Sydney

AFAANZ Board Member – Treasurer, Research Grant Coordinator

Marvin Wee

Qualifications

Experience

Special Responsibilities

BCom (Hons), MFin, PhD, CPA

Professor, Australian National University

AFAANZ Board Member – President (Australia) Doctoral Symposium Co-Director

Meetings of Directors

During the financial year, 5 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
Nicola Beatson	5	5
David Bond	5	5
Nives Botica Redmayne	5	5
Craig Deegan	2	2
Li Chen	2	2
Andrew Jackson	3	3
Michaela Rankin	5	5
Lisa McManus	3	2
Sumit Lodhia	5	5
Yaowen Shan	5	5
Marvin Wee	5	5


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 2023, the total amount that members of the Company are liable to contribute if the company is wound up is \$9,030 (2022: \$8,900).

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 31 December 2023 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:
Marvin Wee


Director:
Nicola Beatson

Dated this 26 day of April 2024

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

As lead auditor, I declare that, to the best of my knowledge and belief, during the year ended 31 December 2023 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.



SW Audit

Chartered Accountants



Trent Godden-Minette
Partner

Melbourne, 26 April 2024

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Accounting and Finance Association of Australia and New Zealand Limited

ABN 67 091 255 908

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 31 December 2023

	Note	2023 \$	2022 \$
Service revenue	2	861,735	754,301
Other income	2	55,941	15,855
Total revenue		917,676	770,156
Conference expenses		(390,132)	(323,189)
Depreciation and amortisation		(528)	(154)
Employee benefits	3	(123,503)	(109,798)
Research Grants		(250,000)	(243,118)
Meeting expenses		(31,523)	(13,050)
Administration expenses		(43,435)	(39,796)
Accounting and Finance journal expenses		(15,000)	(43,585)
Award expenses		(12,038)	(12,840)
Other expenses		(46,323)	(44,585)
Total expenses		(912,482)	(830,115)
Surplus/(deficit) for the year		5,194	(59,959)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		5,194	(59,959)

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 Financial Position As At 31 December 2023

	Note	2023 \$	2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	158,621	199,202
Trade and other receivables	6	16,278	10,620
Financial assets	7	890,271	851,994
Other assets	8	174,794	185,332
TOTAL CURRENT ASSETS		1,239,964	1,247,148
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,054	1,582
TOTAL NON-CURRENT ASSETS		1,054	1,582
TOTAL ASSETS		1,241,018	1,248,730
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	31,840	36,990
Provisions	11	289,500	298,106
TOTAL CURRENT LIABILITIES		321,340	335,096
NON-CURRENT LIABILITIES			
Provisions	11	2,731	1,881
TOTAL NON-CURRENT LIABILITIES		2,731	1,881
TOTAL LIABILITIES		324,071	336,977
NET ASSETS		916,947	911,753
EQUITY			
Accumulated surplus		916,947	911,753
TOTAL EQUITY		916,947	911,753

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 Ended 31 December 2023

	Accumulated Surplus	Total Equity
	\$	\$
Balance at 1 January 2022	971,712	971,712
Deficit for the year	(59,959)	(59,959)
Balance at 31 December 2022	911,753	911,753
	Accumulated Surplus	Total Equity
	\$	\$
Balance at 1 January 2023	911,753	911,753
Surplus for the year	5,194	5,194
Balance at 31 December 2023	916,947	916,947

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 Ended 31 December 2023

	2023	2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	766,879	576,864
Sponsorship by professional accounting bodies	107,000	107,000
Interest received	48,676	11,395
Cash payments in the course of operations	(924,859)	(965,346)
Net cash used in operating activities	<u>(2,304)</u>	<u>(270,087)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Disposal) / Purchase of investments	(38,277)	253,718
Purchase of PPE	-	(1,272)
Net cash provided by / (used in) investing activities	<u>(38,277)</u>	<u>252,446</u>
Net decrease in cash and cash equivalents held	(40,581)	(17,641)
Cash and cash equivalents at beginning of financial year	199,202	216,843
Cash and cash equivalents at end of financial year	5 <u>158,621</u>	<u>199,202</u>

The accompanying notes form part of these financial statements.

Accounting and Finance Association of Australia and New Zealand Limited

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Notes to the financial statements

For the Year Ended 31 December 2023

The financial report covers 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 limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue on the date of the Directors' Declaration.

1 Summary of Material Accounting Policies

Basis of Preparation

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

(a) Income Tax

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

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost, 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.

Accounting and Finance Association of Australia and New Zealand Limited

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Notes to the financial statements

For the Year Ended 31 December 2023

1 Summary of Material Accounting Policies (Continued)

(b) Property, Plant and Equipment (Continued)

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%

(c) Financial Instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs.

Financial assets

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

Classification

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

- amortised cost
- fair value through other comprehensive income - equity instrument (FVOCI - equity)

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

Amortised cost

Assets measured at amortised cost are financial assets where:

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

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

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

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

Accounting and Finance Association of Australia and New Zealand Limited

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Notes to the financial statements

For the Year Ended 31 December 2023

1 Summary of Material Accounting Policies (Continued)

(c) Financial instruments (Continued)

Fair value through other comprehensive income

Impairment of financial assets

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

- financial assets measured at amortised cost

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

Trade receivables and contract assets

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

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

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

Other financial assets measured at amortised cost

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

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Notes to the financial statements

For the Year Ended 31 December 2023

1 Summary of Material Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities

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

(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 wholly 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.

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(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

The Company recognises revenue under AASB 15 when the rights and obligations created under the agreement are enforceable and the performance obligations are sufficiently specific. To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identify the contract with the customer;
2. identify the performance obligations in the contract;
3. determine the transaction price;
4. allocate the transaction price to the performance obligations in the contract; and
5. recognise revenue as and when the performance obligations are satisfied.

Accounting and Finance Association of Australia and New Zealand Limited

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Notes to the financial statements

For the Year Ended 31 December 2023

1 Summary of Material Accounting Policies (Continued)

(g) Revenue and Other Income (Continued)

Revenue is recognised for the major business activities as follows:

Membership revenue

Members are billed in advance for a calendar year subscription. Revenue is recognised over the year when the performance obligation is satisfied.

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

Sponsorship revenue

Sponsorship revenue is recognised when performance obligations in the sponsorship agreements are satisfied.

Journal revenue

Journal revenue is recognised when the journal is purchased and therefore satisfying the performance obligation.

Conference revenue

Conference revenue is recognised upon completion of the annual conference.

Doctoral symposium revenue

Doctoral symposium revenue is recognised upon completion of the annual symposium.

Government revenue

Government revenue is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. The Company presents government grant income in the Statement of Profit or Loss and Other Comprehensive Income on a gross basis and as "Other income".

Interest revenue

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

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 for goods or services received by the Company during the reporting period that remain unpaid at the end of the reporting period.

Accounting and Finance Association of Australia and New Zealand Limited

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Notes to the financial statements

For the Year Ended 31 December 2023

1 Summary of Material Accounting Policies (Continued)

(i) Trade and Other Receivables

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

(j) 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.

(k) Comparative Figures

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

(l) 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.

(a) *Provision for research grants*

The Company has recognised a provision for estimated research grants to be awarded during 2024. provision for research grants has been based upon the amount approved by the board of directors. Based on past experience, the Company does not expect the full balance of the provision for research grants to be settled within 12 months.

(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.

Accounting and Finance Association of Australia and New Zealand Limited

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Notes to the financial statements

For the Year Ended 31 December 2023

1 Summary of Material Accounting Policies (Continued)

(m) Fair Value of Assets and Liabilities (Continued)

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.

Accounting and Finance Association of Australia and New Zealand Limited

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Notes to the financial statements For the Year Ended 31 December 2023

2 Revenue and Other Income

	2023	2022
	\$	\$
Sales revenue		
Membership and institutional fees	320,427	307,749
Sponsorship by professional bodies	107,000	107,000
Conference income	232,225	171,551
SIG fees	7,708	6,183
Journal revenue	177,568	150,171
Doctoral Symposium	16,807	11,647
Total service revenue	<u>861,735</u>	<u>754,301</u>
Other income		
Interest income	48,676	11,395
Other income	7,265	4,460
Total other income	<u>55,941</u>	<u>15,855</u>
Total revenue and other income	<u>917,676</u>	<u>770,156</u>

3 Key Management Personnel Compensation

Short-term benefits	112,405	100,005
Other long-term benefits	11,098	9,793
Total compensation	<u>123,503</u>	<u>109,798</u>

4 Auditors' Remuneration

Auditor's remuneration	<u>18,000</u>	<u>16,350</u>
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5 Cash and Cash Equivalents

Cash at bank	<u>158,621</u>	<u>199,202</u>
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6 Trade and Other Receivables

CURRENT		
GST receivable	16,278	10,420
Other receivables	-	200
	<u>16,278</u>	<u>10,620</u>

7 Financial Assets

Financial asset	<u>890,271</u>	<u>851,994</u>
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Accounting and Finance Association of Australia and New Zealand Limited

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Notes to the financial statements

For the Year Ended 31 December 2023

8 Other Assets

	2023 \$	2022 \$
CURRENT		
Accrued income	140,317	129,538
Prepayments	34,477	55,794
	<u>174,794</u>	<u>185,332</u>

9 Property, Plant and Equipment

Plant and equipment		
At cost	49,381	49,381
Less: accumulated depreciation	(48,326)	(47,799)
Total plant and equipment	<u>1,054</u>	<u>1,582</u>

Movements in carrying amounts of property, plant and equipment

	Plant and Equipment \$	Total \$
Year ended 30 December 2023		
Balance at the beginning of year	1,582	1,582
Additions	-	-
Depreciation expense	(528)	(528)
Balance at the end of the year	<u>1,054</u>	<u>1,054</u>

10 Trade and Other Payables

	2023 \$	2022 \$
CURRENT		
Trade creditors	-	1,520
Income in advance	5,620	6,810
Accrued expense	16,500	16,500
Other payables	9,720	12,160
	<u>31,840</u>	<u>36,990</u>

Accounting and Finance Association of Australia and New Zealand Limited

ABN 67 091 255 908

Notes to the financial statements For the Year Ended 31 December 2023

11 Provisions

	2023	2022
	\$	\$
CURRENT		
Research grants provision	261,712	279,500
Provision for annual leave	27,788	18,606
	<u>289,500</u>	<u>298,106</u>

	Annual Leave	Research Grants	Total
	\$	\$	\$
Opening balance at 1 January 2023	18,606	279,500	298,106
Additional provisions	9,308	250,000	259,308
Amounts used	(126)	(267,788)	(267,914)
Balance at 31 December 2023	27,788	261,712	289,500

NON-CURRENT

	2023	2022
	\$	\$
Long service leave	<u>2,731</u>	<u>1,881</u>

Provision for Research Grants

A provision of \$250,000 at 31 December 2023 has been recognised by the Company for estimated research grants to be awarded during 2024. The provision for research grants has been based upon the amount approved by the board of directors.

Based on past experience, the Company does not expect the full balance of the provision for research grants to be settled within 12 months. However, as the Company does not have an unconditional right to defer settlement if a claim is made, the full amount is presented as current.

Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements. Based on past experience, the Company does not expect the full amount of annual leave classified as current liabilities to be settled within the next 12 months. However, this amount must be classified as a current liability since the Company does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlement.

12 Events after the Reporting Period

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

Accounting and Finance Association of Australia and New Zealand Limited

ABN 67 091 255 908

Notes to the financial statements

For the Year Ended 31 December 2023

13 Contingent Liabilities

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2023 (31 December 2022: None).

14 Related Party Transactions

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.

Related party transactions or balances for the financial year comprise membership fees paid by the directors amounting to \$1,019 (2022: \$1,019).

15 Company Details

The registered office of the Company is:

Accounting and Finance Association of Australia and New Zealand Limited
Level 7, 198 Berkeley Street
Carlton VIC 3053
Australia

Accounting and Finance Association of Australia and New Zealand Limited

ABN 67 091 255 908

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 20, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Accounting Standards - Simplified Disclosures; and
 - b. give a true and fair view of the financial position of the Company as at 31 December 2023 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
Marvin Wee



Director
Nicola Beatson

Dated this 26 day of April 2024

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial report of Accounting and Finance Association of Australia and New Zealand Limited (the Company) which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of Accounting and Finance Association of Australia and New Zealand Limited is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a. giving a true and fair view of the Company's financial position as at 31 December 2023 and of its financial performance for the year then ended, and
- b. complying with Australian Accounting Standards – Simplified Disclosures and the Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*, Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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Melbourne
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530 Collins Street
Melbourne VIC 3000
T + 61 3 8635 1800

Perth
Level 18
197 St Georges Terrace
Perth WA 6000
T + 61 8 6184 5980

Sydney
Level 7, Aurora Place
88 Phillip Street
Sydney NSW 2000
T + 61 2 8059 6800



Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



SW Audit

Chartered Accountants



Trent Godden-Minette
Partner

Melbourne, 26 April 2024