



Australian Computer Society Incorporated

2016 Annual Financial Statements

For the year ended 30 June 2016

Australian Computer Society Incorporated

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Australian Computer Society Incorporated

Management Committee's Report

For the year ended 30 June 2016

The members of the Management Committee of Australian Computer Society Incorporated (the Association) submit herewith the annual financial report of the Association for the financial year ended 30 June 2016. In order to comply with the provisions of the Association Incorporations Act 1991, the Management Committee reports as follows:

1 Information about the members of the Management Committee

The names and particulars of the members of the Management Committee of the Australian Computer Society Incorporated during or since the end of the financial year are:

Brenda Aynsley	President	1 July 2015 – 31 December 2015
Anthony Wong	President	1 January 2016 – 30 June 2016
Nick Tate	Immediate Past President	1 July 2015 – 31 December 2015
Brenda Aynsley	Immediate Past President	1 January 2016 – 30 June 2016
Anthony Wong	Vice President	1 July 2015 – 31 December 2015
Arnold Wong	Vice President	1 July 2015 - 30 June 2016
Paul Bailes	Vice President	1 July 2015 - 30 June 2016
Mike Driver	Vice President	1 January 2016 - 30 June 2016
Yohan Ramasundara	National Treasurer	1 July 2015 - 30 June 2016
Richard Baecher	National Congress Representative	1 July 2015 – 31 December 2015
Richard Baecher	National Congress Representative	28 February 2016 - 30 June 2016
Jo Dalvean	National Congress Representative	1 July 2015 - 30 June 2016
Mike Driver	National Congress Representative	1 July 2015 – 31 December 2015
Michael Hawkins	National Congress Representative	1 July 2015 - 30 June 2016
Nick Tate	National Congress Representative	1 January 2016 – 30 June 2016
Andrew Johnson	Chief Executive Officer	1 July 2015 - 30 June 2016

2 Principal activities

The Australian Computer Society is a professional association for those working in the field of information and communications technology.

There were no significant changes in the nature of the activities of the Association during the year.

3 Review of operations

The Association's surplus for the year ended 30 June 2016 amounted to \$4,293,627 (2015: \$3,241,814).

Australian Computer Society Incorporated
Management Committee's Report (continued)
For the year ended 30 June 2016

4 Significant changes in the state of affairs

In the opinion of the Management Committee there were no significant changes in the state of affairs of the Association that occurred during the financial year under review.

5 Events subsequent to reporting date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Management Committee of the Association, to affect significantly the operations of the Association, the results of those operations, or the state of affairs of the Association, in future financial years.

6 Likely developments

Disclosure of information regarding likely developments in the operations of the Association in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Association. Accordingly, this information has not been disclosed in this report.

7 Indemnification and insurance of officers and auditors

During the financial year, the Association paid a premium in respect of a contract insuring the office-bearers of the Association (any person who was or is or may hereafter be an Office Bearer of the Association, a person who is concerned with or takes part in the management of the Association and any director, the secretary or employees of the Association (including paid or unpaid volunteers)), against a liability incurred as such an officer-bearer. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Association has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Association or of any related body corporate against a liability incurred as such an officer or auditor.

Australian Computer Society Incorporated
Management Committee's Report (continued)
For the year ended 30 June 2016

8 Management Committee Meetings

The following table sets out the number of Management Committee meetings held during the financial year and the number of meetings attended by each member (while they were a Management Committee member). During the financial year, 11 Management Committee meetings were held.

Members	Number eligible to attend	Number Attended
Brenda Aynsley	11	11
Nick Tate	11	9
Anthony Wong	11	11
Arnold Wong	11	10
Paul Bailes	11	9
Yohan Ramasundara	11	11
Mike Driver	11	11
Jo Dalvean	11	10
Michael Hawkins	11	11
Richard Baecher	10	9
Andrew Johnson	11	11

On behalf of the members of the Committee,



Anthony Wong
President

Dated at Brisbane this 26th day of October 2016

Australian Computer Society Incorporated

Management Committee Declaration

The members of the Management Committee declare that:

- (a) in the Management Committee's opinion, the attached financial statements and notes thereto are in accordance with the Associations Incorporations Act 1991, including compliance with accounting standards, and give a true and fair view of the financial position and performance of the Association;
- (b) in the Management Committee's opinion, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable; and
- (c) in the Management Committee's opinion, the financial statements and notes thereto are in accordance with Australian Accounting Standards - Reduced Disclosure Requirements as stated in Note 2.

Signed in accordance with a resolution of the members of the Management Committee.

On behalf of the Management Committee,



Anthony Wong
President

Dated at Brisbane this 26th day of October 2016



Independent Audit Report to the members of Australian Computer Society Incorporated

Report on the financial report

We have audited the accompanying financial report of Australian Computer Society Incorporated (the Association), which comprises the statement of financial position as at 30 June 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes 1 to 18 comprising a summary of significant accounting policies and other explanatory information and the Management Committee Declaration.

Management Committee's responsibility for the financial report

The Management Committee of the Association are responsible for the preparation of the financial report that presents fairly in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Associations Incorporations Act 1991 (the Acts and Regulations) and for such internal control as the Management Committee determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Association's preparation of the financial report that is fairly presented 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Committee, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, and the ACNC and the Associations Incorporations Act 1991, a view which is consistent with our understanding of the Association's financial position, and of its performance and cash flows.

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 Accounting Professional and Ethical Standards Board.



Independent Audit Report to the members of Australian Computer Society Incorporated (continued)

Auditor's opinion

In our opinion the financial report presents fairly, in all material respects, in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Associations Incorporation Act 1991, the financial position of Australian Computer Society Incorporated as of 30 June 2016 and of its financial performance and its cash flows for the year then ended.

KPMG

A handwritten signature in black ink, appearing to read 'Cameron Roan', with a stylized flourish above the name.

Cameron Roan
Partner

Sydney

26th October 2016

Australian Computer Society Incorporated
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2016

<i>In AUD</i>	<i>Note</i>	2016	2015
Revenue	4	26,779,206	20,517,525
Employee benefits expense		(12,094,876)	(10,136,657)
Consulting expense		(2,174,208)	(703,736)
Meetings		(1,334,326)	(1,010,936)
Travel and accommodation		(1,056,527)	(942,338)
Marketing, PR and publications		(2,975,083)	(1,874,645)
Sponsorship		(281,094)	(140,887)
Occupancy expenses		(754,379)	(856,708)
Repair and maintenance		(81,084)	(41,548)
Depreciation and amortisation		(269,859)	(434,265)
Finance costs		(252,917)	(198,299)
Administrative expenses		(852,395)	(538,182)
Other expenses		(358,831)	(397,510)
Surplus before tax	5	4,293,627	3,241,814
Income tax expense	3(l)	-	-
Surplus for the year		4,293,627	3,241,814
Other comprehensive income		-	-
Total comprehensive income for the year	5	4,293,627	3,241,814

The notes on pages 13 to 26 are an integral part of these financial statements.

Australian Computer Society Incorporated
Statement of financial position
As at 30 June 2016

<i>In AUD</i>	Note	2016	2015
Assets			
<i>Current assets</i>			
Cash and cash equivalents	6	20,704,130	5,238,476
Trade and other receivables	7	1,848,810	1,685,535
Other assets	8	2,043,146	10,871,304
Total current assets		24,596,086	17,795,315
<i>Non-current assets</i>			
Property, plant and equipment	9	436,942	486,017
Intangible assets	10	76,454	167,676
Total non-current assets		513,396	653,693
Total assets		25,109,482	18,449,008
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	11	4,419,797	2,132,922
Other liabilities	12	2,544,511	2,541,470
Provisions	13	448,881	366,504
Total current liabilities		7,413,189	5,040,896
<i>Non-current liabilities</i>			
Other liabilities	12	24,273	78,815
Provisions	13	171,878	122,782
Total non-current liabilities		196,151	201,597
Total liabilities		7,609,340	5,242,493
Net assets		17,500,142	13,206,515
Members' funds			
Accumulated funds		17,500,142	13,206,515
Total members' funds		17,500,142	13,206,515

The notes on pages 13 to 26 are an integral part of these financial statements.

Australian Computer Society Incorporated
Statement of changes in equity
For the year ended 30 June 2016

<i>In AUD</i>	Accumulated funds	Total
Balance at 1 July 2014	9,964,701	9,964,701
Total comprehensive income for the year		
Surplus for the year	3,241,814	3,241,814
Total comprehensive income for the year	3,241,814	3,241,814
Balance at 30 June 2015	13,206,515	13,206,515
Balance at 1 July 2015	13,206,515	13,206,515
Total comprehensive income for the year		
Surplus for the year	4,293,627	4,293,627
Total comprehensive income for the year	4,293,627	4,293,627
Balance at 30 June 2016	17,500,142	17,500,142

The notes on pages 13 to 26 are an integral part of these financial statements.

Australian Computer Society Incorporated
Statement of cash flows
For the year ended 30 June 2016

<i>In AUD</i>	<i>Note</i>	2016	2015
Cash flows from operating activities			
Receipts from customers		27,533,706	20,736,583
Payments to suppliers and employees		(21,690,916)	(18,318,276)
Finance costs		(252,917)	(186,391)
Net cash from operating activities		5,589,873	2,231,916
Cash flows from investing activities			
Interest received		437,806	401,589
Payments for property, plant and equipment		(117,689)	(338,598)
Payments for intangible assets		-	(71,580)
Payments for term deposits		9,555,664	(610,566)
Net cash from/(used in) investing activities		9,875,781	(619,155)
Net increase in cash and cash equivalents		15,465,654	1,612,761
Cash and cash equivalents at beginning of year		5,238,476	3,625,715
Cash and cash equivalents at end of year	6	20,704,130	5,238,476

The notes on pages 13 to 26 are an integral part of these financial statements.

Australian Computer Society Incorporated

Notes to the financial statements

For the year ended 30 June 2016

1 Reporting entity

The financial statements of Australian Computer Society Incorporated (Reduced Disclosure Regime), a not for profit entity, as at and for the year ended 30 June 2016 comprise the Association.

Australian Computer Society Incorporated (the 'Association') is a company domiciled in Australia. The address of the Association's registered office is Units 8 and 9, 26-28 Napier Close, Deakin, ACT, 2600 and the principal place of business is Level 11, 50 Carrington Street, Sydney NSW 2000.

The Association is a professional association for those working in the field of information and communication technology.

2 Basis of preparation

(a) Statement of compliance

In the opinion of the Management Committee, the Association is not publicly accountable. The financial statements are Tier 2 general purpose financial statements which have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements adopted by the Australian Accounting Standards Board and the Associations Incorporations Act 1991. These financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements. They were authorised for issue by the Management Committee on 26th October 2016. Details of the Association's accounting policies, including changes during the year, are included in Notes 3.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is the Association's functional currency.

(d) Use of estimates and judgements

The preparation of financial statements in accordance with Australian Accounting Standards – Reduced Disclosure Regime, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no judgements made by management in the application of Australian Accounting Standards that have significant impact on the financial report or estimates with a significant risk of material adjustment in the next year.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Association.

Australian Computer Society Incorporated

Notes to the financial statements

For the year ended 30 June 2016

Significant accounting policies (continued)

(a) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Association at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

(b) Financial instruments

(i) Non-derivative financial assets

The Association initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Association becomes a party to the contractual provisions of the instrument.

The Association derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Association is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Association has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Association has the following non-derivative financial assets: loans and receivables and cash and cash equivalents.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses see note 3(f)(i).

Loans and receivables comprise cash and cash equivalents and, trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Association in the management of its short-term commitments.

Australian Computer Society Incorporated
Notes to the financial statements
For the year ended 30 June 2016

Significant accounting policies (continued)

(ii) *Non-derivative financial liabilities*

The Association initially recognises financial liabilities on the trade date at which the Association becomes a party to the contractual provisions of the instrument.

The Association derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Association classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise trade and other payables.

(c) Property, plant and equipment

(i) *Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, when the Association has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) *Subsequent costs*

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Association. Ongoing repairs and maintenance is expensed as incurred.

Australian Computer Society Incorporated
Notes to the financial statements
For the year ended 30 June 2016

Significant accounting policies (continued)

(iii) Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Association will obtain ownership by the end of the lease term.

The depreciation rates for the current and comparative periods are as follows:

Straight-line basis	2016	2015
· Buildings	2.5%	2.5%
· Leasehold improvements	<i>Straight line over the term of the lease</i>	<i>Straight line over the term of the lease</i>
· Furniture and fittings	25%	25%
· Office equipment	25%	25%
· Computer hardware	25%	25%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(d) Intangible assets

(i) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Association intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

(ii) Other intangible assets

Other intangible assets that are acquired by the Association and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Australian Computer Society Incorporated
Notes to the financial statements
For the year ended 30 June 2016

Significant accounting policies (continued)

(iv) *Amortisation*

Intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimated useful lives for the current and comparative years are as follows:

	2016	2015
· Course development	3 years	3 years
· Computer software	3 years	3 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(e) **Leased assets**

Leases in terms of which the Association assumes substantially all the risks and rewards of ownership are classified as finance leases. On initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised in the Association's statement of financial position.

(f) **Impairment**

(i) *Non-derivative financial assets*

A financial asset is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Association on terms that the Association would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets measured at amortised cost

The Association considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Association uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

Australian Computer Society Incorporated
Notes to the financial statements
For the year ended 30 June 2016

Significant accounting policies (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Associations' non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or CGU unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of assets in the CGU (or group of CGUs) on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Employee benefits

(i) *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

(ii) *Other long-term employee benefits*

The Association's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit-rated or government bonds that have maturity dates approximating the terms of the Association's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

Australian Computer Society Incorporated
Notes to the financial statements
For the year ended 30 June 2016

Significant accounting policies (continued)

(iii) *Short-term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Association has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(h) Provisions

A provision is recognised if, as a result of a past event, the Association has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(i) Revenue

(i) *Membership fees and subscriptions*

Membership fees and subscriptions are recognised as revenue over the period to which they relate.

(ii) *Other revenue*

Other revenue is recognised when the economic benefits associated with the transactions will flow to the entity and the amount of revenue can be measured reliably.

(iii) *Interest revenue*

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

(j) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance lease is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(k) Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised in accordance with Note 3(i)(iii).

Finance costs comprise bank charges.

(l) Income tax

The Australian Computer Society Inc. has received an exemption under the Income Tax Assessment Act from paying income tax.

Australian Computer Society Incorporated
Notes to the financial statements
For the year ended 30 June 2016

Significant accounting policies (continued)

(m) Goods and Services tax

Revenues, 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). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

(n) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2015, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Association, and the Association has not yet determined the potential effect of the standards.

Australian Computer Society Incorporated
Notes to the financial statements (continued)
For the year ended 30 June 2016

4 Revenue

<i>In AUD</i>	2016	2015
Membership fees	3,487,106	3,273,513
Professional standards income	21,431,518	15,285,995
Commissions	9,659	22,054
Education, PD and conference income	1,410,079	1,288,223
Rental income	6,480	6,020
Interest	371,143	463,412
Other income	63,221	178,308
	26,779,206	20,517,525

5 Surplus for the year

<i>In AUD</i>	2016	2015
Depreciation of non-current assets		
Building	2,005	1,748
Leasehold improvements	79,033	72,467
Computer hardware	74,849	86,325
Office equipment	5,496	6,733
Furniture and fittings	17,254	23,210
	178,637	190,483
Amortisation of non-current assets		
Computer software	91,222	243,782
	91,222	243,782
Operating lease rental expense	636,375	698,580
Finance costs - bank charges	252,917	198,299
Defined contribution plans	645,605	561,211

6 Cash and cash equivalents

<i>In AUD</i>	2016	2015
Cash on hand	9,654,222	4,148,210
Cash on short-term deposits	11,049,908	1,090,266
	20,704,130	5,238,476

Australian Computer Society Incorporated
Notes to the financial statements (continued)
For the year ended 30 June 2016

7 Trade and other receivables

<i>In AUD</i>	2016	2015
Membership and sundry receivables	1,455,651	1,168,068
Provision for doubtful debts	(39,374)	(16,000)
	<u>1,416,277</u>	<u>1,152,068</u>
Accrued income	110,163	211,097
Deposits	322,370	322,370
	<u>1,848,810</u>	<u>1,685,535</u>

Impairment losses

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	2016	2015
Balance at 1 July	16,000	-
Impairment loss recognised	39,374	16,000
Amounts written off	(16,000)	-
Balance at 30 June	<u>39,374</u>	<u>16,000</u>

The allowance accounts in respect of trade and other receivables are used to record impairment losses unless the Association is satisfied that no recovery of the amount owing is possible; at that point the amount is considered irrecoverable and is written off against the financial asset directly.

8 Other assets

<i>In AUD</i>	2016	2015
Prepayments	1,068,122	340,616
Term deposits maturity > 3 months	975,024	10,530,688
	<u>2,043,146</u>	<u>10,871,304</u>

Australian Computer Society Incorporated
Notes to the financial statements (continued)
For the year ended 30 June 2016

9 Property, plant and equipment

	Land & building	Leasehold improvement	Furniture and fittings	Office equipment	Computer hardware	Total
Cost						
Balance at 1 July 2015	98,064	512,911	168,618	56,798	396,078	1,232,469
Additions	-	-	7,497	1,167	120,898	129,562
Disposals	-	-	-	(6,977)	-	(6,977)
Balance at 30 June 2016	98,064	512,911	176,115	50,988	516,976	1,355,054

Depreciation and impairment losses

Balance at 1 July 2015	(42,581)	(308,258)	(132,096)	(47,220)	(216,297)	(746,452)
Disposals	-	-	-	6,977	-	6,977
Depreciation expense	(2,005)	(79,033)	(17,254)	(5,496)	(74,849)	(178,637)
Balance at 30 June 2016	(44,586)	(387,291)	(149,350)	(45,739)	(291,146)	(918,112)

Carrying amounts

At 1 July 2015	55,483	204,653	36,522	9,578	179,781	486,017
As at 30 June 2016	53,478	125,620	26,765	5,249	225,830	436,942

Australian Computer Society Incorporated
Notes to the financial statements (continued)
For the year ended 30 June 2016

10 Intangible Assets

	Course development	Computer Software	Total
Cost			
Balance at 1 July 2015	91,396	1,103,434	1,194,830
Additions	-	-	-
Disposals	(91,396)	-	(91,396)
Balance at 30 June 2016	-	1,103,434	1,103,434
Amortisation and impairment losses			
Balance at 1 July 2015	(91,396)	(935,758)	(1,027,154)
Disposals	91,396	-	91,396
Amortisation expense	-	(91,222)	(91,222)
Balance at 30 June 2016	-	(1,026,980)	(1,026,980)
Net Book Value			
At 1 July 2015	-	167,676	167,676
As at 30 June 2016	-	76,454	76,454

Australian Computer Society Incorporated
Notes to the financial statements (continued)
For the year ended 30 June 2016

11 Trade and other payables

In AUD

	2016	2015
Trade payables	2,186,826	649,123
Other payables and accruals	2,232,971	1,483,799
	4,419,797	2,132,922

12 Other liabilities

In AUD

Current

	2016	2015
Subscriptions in advance	1,697,530	1,385,275
Deferred revenue	789,838	1,099,052
Lease incentive liability	57,143	57,143
	2,544,511	2,541,470

Non-current

Lease incentive liability	24,273	78,815
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13 Provisions

In AUD

Current

	2016	2015
Employee benefits 3(g)(iii)	448,881	366,504

Non-current

Employee benefits	171,878	122,782
	620,759	489,286

(i) The current provision for employee benefits includes \$373,917 (2016: \$321,147) of annual leave and the remainder being vested long service leave entitlements accrued.

14 Lease commitments

In AUD

	2016	2015
Non-cancellable operating premises lease commitments		
Not longer than 1 year	769,096	770,600
Longer than 1 year and not longer than 5 years	718,080	1,526,969
	1,487,176	2,297,569

Australian Computer Society Incorporated
Notes to the financial statements (continued)
For the year ended 30 June 2016

15 Contingent liabilities

<i>In AUD</i>	2016	2015
Contract performance guarantees	295,376	295,376
Security deposits	26,994	26,994
Total security deposits	322,370	322,370

16 Key management personnel compensation

The aggregate compensation paid to key management personnel of the Association is set out below:

<i>In AUD</i>	2016	2015
Short-term employee benefits	490,176	781,239
Post-employment benefits	46,567	78,522
	536,743	859,761

Key management personnel who held office during the year were:

Andrew Johnson	Chief Executive Officer
Kim Finch	Chief Financial Officer

17 Related party transactions

(a) Transactions with key management personnel

Key management personnel compensation

Details of key management personnel compensation are disclosed in Note 16 to the financial statements. Members of the Management Committee receive no remuneration unless specifically disclosed in Note 16.

Australian Computer Society Incorporated
Notes to the financial statements (continued)
For the year ended 30 June 2016

17 Related party transactions (continued)

(b) Transactions with other related parties

Management Committee of the Australian Computer Society Incorporated

The names of the people who were members of the Management Committee of the Australian Computer Society Incorporated at any time during the financial year are as follows:

Name	Particulars	
Brenda Aynsley	President	1 July 2015 – 31 December 2015
Anthony Wong	President	1 January 2016 – 30 June 2016
Nick Tate	Immediate Past President	1 July 2015 – 31 December 2015
Brenda Aynsley	Immediate Past President	1 January 2016 – 30 June 2016
Anthony Wong	Vice President	1 July 2015 – 31 December 2015
Arnold Wong	Vice President	1 July 2015 - 30 June 2016
Paul Bailes	Vice President	1 July 2015 - 30 June 2016
Mike Driver	Vice President	1 January 2016 – 30 June 2016
Yohan Ramasundara	National Treasurer	1 July 2015 - 30 June 2016
Richard Baecher	National Congress Representative	1 July 2015 – 31 December 2015
Richard Baecher	National Congress Representative	28 February 2016 - 30 June 2016
Jo Dalvean	National Congress Representative	1 July 2015 - 30 June 2016
Mike Driver	National Congress Representative	1 July 2015 – 31 December 2015
Michael Hawkins	National Congress Representative	1 July 2015 - 30 June 2016
Nick Tate	National Congress Representative	1 January 2016 – 30 June 2016
Andrew Johnson	Chief Executive Officer	1 July 2015 - 30 June 2016

Transactions with Members of the Management Committee of the Australian Computer Society Incorporated.

The related party transactions with members of the Management Committee during the financial year included expense claim reimbursements, except for Mike Driver who was paid \$3,605 for tutoring fees. Members of the Management Committee also paid membership fees, in accordance with their membership status. All transactions were at arm's length.

18 Subsequent events

There have been no events subsequent to reporting date which will have a material effect on the Association's financial statements at 30 June 2016.