

Annual Financial Report

for the year ended 30 June 2015

**Committee for Economic
Development of Australia**
ABN 49 008 600 922

Contents

| | |
|---|----|
| Directors' Report..... | 1 |
| Statement of Profit or Loss and Other Comprehensive Income..... | 5 |
| Statement of Financial Position | 6 |
| Statement of Changes in Equity | 7 |
| Statement of Cash Flows..... | 8 |
| Notes to the Financial Statements..... | 9 |
| Directors' Declaration | 27 |
| Auditor's Report..... | 28 |

Directors' Report

Your Directors have pleasure in presenting their report on the Company for the financial year ended 30 June 2015.

Directors

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

| | | | |
|--------------------|-----------------|-----------|------------|
| E.P. McClintock AO | Chairman | Appointed | 18-11-2014 |
| S.P. Martin | Chief Executive | | |
| A. Armour | | | |
| J.K. Edwards | | | |
| P. Faulkner AO | | | |
| J. Langoulant AO | | Appointed | 18-11-2014 |
| R. Maddock | | | |
| M. O'Loughlin AM | | Resigned | 29-07-2015 |
| S. Pitkin | | | |
| C. Sinclair | | | |
| S. Spargo | | | |
| I.F. Stirling | | | |
| A. Stevens | | | |
| G.D. Allen AM | Chairman | Resigned | 18-11-2014 |
| I.D. Satchwell | | Resigned | 18-11-2014 |
| G. Withers AO | | Resigned | 18-11-2014 |

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

The names of the main office bearers at the date of this report are:

National Chairman, Board of Directors E.P. McClintock AO

Company Secretary

The following person held the position of company secretary at the date of the report:

D.J. Kelly – Bachelor of Business (Accounting) and Fellow, Certified Practising Accountant. Mr Kelly has had over 25 years' experience in accounting within different organisations such as not for profit, commercial cleaning, import/wholesale, forestry and IT. Mr. Kelly was appointed Company Secretary on 12 November 2008.

Principal Activities

The company's principal activity is as an independent, apolitical organisation made up of business leaders, academics and others who have an interest in, and commitment to, Australia's economic and social development. CEDA undertakes objective research and discussion into issues affecting Australia's growth.

While CEDA emphasises productivity and efficiency issues, which are vital for our future development, it also recognises the need to consider the equity dimensions of government policy.

CEDA's short and long term objectives remain the achievement of better policy outcomes for the Australian population through a range of economic research and advocacy.

To achieve these objectives the entity strives to attract and retain quality staff who can work in partnership with the Directors, Board of Governors and Trustees in support of CEDA's projects and other initiatives.

Staff strive to consistently meet best practice in all that they do and provide clear expectations of professional accountabilities and responsibilities to all stakeholders. KPI's set aim to ensure goal congruence with the entity's objectives and are measured against audited results.

Directors' Report

Information on Directors:

- | | |
|------------------------|---|
| Paul McClintock AO | - Chairman, CEDA |
| | - Chairman, Myer Holdings Ltd |
| | - Chairman, NSW Ports |
| | - Chairman, I-MED Network |
| | - Director, St Vincent's Health Australia Limited |
| | - Director, The George Institute for Global Health |
| | - Director, O'Connell Street Associates Pty Limited |
| Stephen P. Martin | - Chief Executive, CEDA |
| | - Chairman, Board of Governors, Global Science and Technology Forum, Singapore |
| | - Visiting Professorial Fellow, Sydney Business School, University of Wollongong |
| | - Director, Men of League Foundation |
| | - Committee Member, Men of League Foundation (Victorian Chapter) |
| Angus Armour | - Deputy Secretary - Industry, Innovation, Hospitality and the Arts, NSW Department of Trade and Investment, Regional Infrastructure and Services |
| | - Member, Board of the European Australian Business Council |
| John K. Edwards | - Board Member, Reserve Bank of Australia |
| | - Visiting Fellow, Lowy Institute for International Policy |
| | - Adjunct Professor, University of Sydney Business School |
| | - Adjunct Professor, John Curtin Institute of Public Policy, Curtin Business School, Curtin University |
| Patricia Faulkner AO | - Chair, National Health Performance Authority |
| | - Chair, Jesuit Social Services |
| | - Chair, Telecommunications Industry Ombudsman |
| | - Chair, CRC on Alertness and Productivity |
| | - Deputy Chair, St Vincent's Healthcare, Australia |
| | - Committee Member, Melbourne Racing Club |
| | - Member, Commonwealth Grants Commission |
| | - Board Member, Melbourne Theatre Company |
| John Langoulant AO | - Chairman, Westpac WA |
| | - Chairman, Government Employees Superannuation Board |
| | - Chairman, Dampier to Bunbury Natural Gas Pipeline |
| | - Chairman, Pawsey Supercomputing Centre |
| | - Consultant, Curtin University |
| | - Consultant, Deloitte |
| | - Director, CCIWA |
| Rodney Maddock | - Adjunct Professor of Economics, Monash University |
| | - Vice Chancellor's Fellow and Professor, Victoria University |
| | - President, Economic Society of Australia (Victoria) |
| Mary Ann O'Loughlin AM | - Deputy Secretary, Social Policy, NSW Department of Premier & Cabinet |
| | - National Fellow, Institute of Public Administration Australia |
| Sally Pitkin | - Adjunct Professor, University of Queensland Business School |
| | - Director, Super Retail Group Limited |
| | - Member, Queensland Competition Authority |
| | - Director, Billabong International Limited |
| | - President, Queensland Division, Australian Institute of Company Directors and Member, National Board |
| | - Director, Echo Entertainment Limited |
| | - Director, IPH Limited |

Directors' Report

Information on Directors (continued):

| | | |
|----------------------|---|--|
| Catherine Sinclair | - | Director, The Consultancy Bureau Pty Ltd |
| | - | Chair, Residential Tenancies Authority (RTA) |
| | - | Director, and Chair of Audit Committee, Army & Air Force Canteen Service (AAFCANS) |
| | - | Councillor, The Royal National Agricultural and Industrial Association of Queensland |
| Stephen Spargo | - | Partner, Allens |
| | - | President & Chairman, The Royal Agricultural Society of Victoria Limited |
| | - | Director, Showgrounds Nominees Pty Ltd |
| | - | Director, Asia Society AustralAsia Centre |
| | - | Director, The Florey Institute for Neuroscience and Mental Health |
| | - | Vice President, Melbourne Cricket Club |
| | - | Vice President, Golf Victoria Ltd |
| | - | Director, National Sports Museum |
| Ian F. Stirling | - | Executive Chairman, Stirling Advisory Pty Ltd |
| | - | Director, SA Water Corporation |
| | - | Member, Advisory Board, University of Adelaide Business School |
| | - | Board Member, Botanic Gardens of South Australia |
| | - | Board Member, Botanic Gardens of South Australia Foundation |
| | - | |
| Andrew Stevens | - | Chairman, Advanced Manufacturing Growth Centre |
| | - | Director, MYOB Group Limited |
| | - | Director, Thorn Group Australia |
| | - | Director, Australian Chamber Orchestra Limited |
| | - | Director, Greater Western Sydney Football Club Limited |
| | - | Member, Advisory Executive, UNSW Business School |
| | - | Member, Male Champions of Change |
| Geoffrey D. Allen AM | - | Immediate Past Chairman of the Board, CEDA |
| | - | Director, ACIL Allen Consulting P/L |
| | - | Chairman, Australian Centre for Corporate Public Affairs |
| | - | Director, European Centre for Public Affairs |
| | - | Chairman, Australian Statistical Advisory Council |
| | - | Member, Advisory Board, George Washington University Institute for Corporate Social Responsibility |
| | - | Asian Regional Editor, Journal of Public Affairs |
| | - | Board, University of Chester, International Centre for Corporate and Public Affairs Research. |
| Ian D. Satchwell | - | Director, International Mining for Development Centre |
| Glenn A. Withers AO | - | Professor of Economics, Australian National University |
| | - | Chair, Advisory Board, Blended Learning International |
| | - | ANZSOG Fellow |
| | - | Co-Managing Director, Applied Economics Pty Ltd |

Directors' Report

Meetings of Directors:

| | <u>Directors' Meetings</u> | |
|--------------------|----------------------------|------------------------|
| | Number Eligible | Number Attended |
| E.P. McClintock AO | 4 | 4 |
| S.P. Martin | 5 | 5 |
| A. Armour | 5 | 5 |
| J.K. Edwards | 5 | 5 |
| P. Faulkner AO | 5 | 5 |
| J. Langoulant AO | 4 | 3 |
| R. Maddock | 5 | 3 |
| M. O'Loughlin | 5 | 4 |
| S. Pitkin | 5 | 4 |
| C. Sinclair | 5 | 4 |
| S. Spargo | 5 | 4 |
| I.F. Stirling | 5 | 5 |
| A. Stevens | 5 | 4 |
| G.D. Allen AM | 2 | 2 |
| I.D. Satchwell | 2 | 2 |
| G.A. Withers AO | 2 | 1 |

CEDA is an approved research institute under Section 73A of the Income Tax Assessment Act. The entity is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. In the event of winding up each member is liable for a sum not exceeding \$500 towards meeting any outstanding obligations of the entity. At 30 June 2015 the collective liability of members was \$350,000 (2014: \$345,500).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2015 has been received and can be found on page 28, and forms part of the directors' report.

Signed at Sydney this 7th day of September, 2015

In accordance with a Resolution of the Board of Directors.

DIRECTOR.

DIRECTOR.



E.P. McClintock AO
Chairman

S.P. Martin
Director

Statement of Profit or Loss and Other Comprehensive Income

For year ended 30 June 2015

| | <u>NOTE</u> | <u>2015</u> \$ | <u>2014</u> \$ |
|---|-------------|---------------------------|---------------------------|
| Revenue | 2 | 10,816,906 | 9,381,128 |
| Depreciation and Amortisation Expense | 3 | (295,201) | (232,689) |
| Employee Benefits Expense | | (4,679,344) | (4,152,749) |
| Lease Expense | 3 | (696,764) | (674,652) |
| Research and Related Conferences and Briefings Expense | | (2,664,732) | (2,381,774) |
| Other Operating Expenses | | <u>(1,338,560)</u> | <u>(1,253,138)</u> |
| <u>Profit / (Loss) Attributable to Entity</u> | | <u>1,142,305</u> | <u>686,126</u> |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Income for the Year | | <u>1,142,305</u> | <u>686,126</u> |

Statement of Financial Position

As at 30 June 2015

| | <u>NOTE</u> | <u>2015</u> \$ | <u>2014</u> \$ |
|---|-------------|-------------------------|-------------------------|
| <u>CURRENT ASSETS</u> | | | |
| Cash and Cash Equivalents | 4 | 7,334,358 | 5,346,248 |
| Trade and Other Receivables | 5 | 713,069 | 603,810 |
| Other Current Assets | 6 | <u>466,336</u> | <u>313,523</u> |
| <u>TOTAL CURRENT ASSETS</u> | | <u>8,513,763</u> | <u>6,263,581</u> |
| <u>NON CURRENT ASSETS</u> | | | |
| Plant and Equipment and Leasehold Improvements | 7 | 215,444 | 378,370 |
| Intangibles | 8 | <u>155,960</u> | <u>28,968</u> |
| <u>TOTAL NON CURRENT ASSETS</u> | | <u>371,404</u> | <u>407,338</u> |
| <u>TOTAL ASSETS</u> | | <u>8,885,167</u> | <u>6,670,919</u> |
| <u>CURRENT LIABILITIES</u> | | | |
| Trade and Other Payables | 9 | 1,499,604 | 1,081,849 |
| Short - Term Provisions | 10 | 421,963 | 201,762 |
| Subscriptions and Income in Advance | 11 | <u>3,485,995</u> | <u>2,887,031</u> |
| <u>TOTAL CURRENT LIABILITIES</u> | | <u>5,407,562</u> | <u>4,170,642</u> |
| <u>NON CURRENT LIABILITIES</u> | | | |
| Long - Term Provisions | 10 | <u>179,571</u> | <u>344,548</u> |
| <u>TOTAL NON CURRENT LIABILITIES</u> | | <u>179,571</u> | <u>344,548</u> |
| <u>TOTAL LIABILITIES</u> | | <u>5,587,133</u> | <u>4,515,190</u> |
| <u>NET ASSETS</u> | | <u>3,298,034</u> | <u>2,155,729</u> |
| <u>EQUITY</u> | | | |
| Retained Earnings / (Losses) | | <u>3,298,034</u> | <u>2,155,729</u> |
| <u>TOTAL EQUITY</u> | | <u>3,298,034</u> | <u>2,155,729</u> |

Statement of Changes in Equity

For year ended 30 June 2015

| | \$ Retained Earnings | \$ Total Equity |
|--------------------------------|----------------------------|-------------------------|
| Balance at 30 June 2013 | 1,469,603 | 1,469,603 |
| Total Comprehensive Income | 686,126 | 686,126 |
| Balance at 30 June 2014 | 2,155,729 | 2,155,729 |
| Total Comprehensive Income | 1,142,305 | 1,142,305 |
| Balance at 30 June 2015 | <u>3,298,034</u> | <u>3,298,034</u> |

Statement of Cash Flows

For year ended 30 June 2015

| | <u>NOTE</u> | <u>2015</u> \$ | <u>2014</u> \$ |
|--|--------------|-------------------------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Subscriptions | | 4,046,755 | 4,016,328 |
| Research & related conferences and briefings | | 7,020,505 | 5,769,180 |
| Payments to suppliers & employees | | (9,055,610) | (8,428,614) |
| Interest received | | 173,238 | 131,421 |
| Sundry Income | | 66,112 | 41,714 |
| Borrowing costs | | (3,496) | (9,669) |
| NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES | 14(b) | <u>2,247,504</u> | <u>1,520,360</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of plant, equipment & intangibles | | <u>(259,394)</u> | <u>(37,574)</u> |
| NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES | | <u>(259,394)</u> | <u>(37,574)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings | | <u>-</u> | <u>(10,797)</u> |
| NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES | | <u>-</u> | <u>(10,797)</u> |
| NET INCREASE / (DECREASE) IN CASH HELD | | 1,988,110 | 1,471,989 |
| CASH AT BEGINNING OF YEAR | 14(a) | <u>5,346,248</u> | <u>3,874,259</u> |
| CASH AT END OF YEAR | 14(a) | <u><u>7,334,358</u></u> | <u><u>5,346,248</u></u> |

Notes to the Financial Statements

For year ended 30 June 2015

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, Australian Accounting Interpretations other authoritative pronouncements of the Australian Accounting Standards Board and the Australian Charities and Not-for-profits Commission Act 2012.

The financial report covers the Committee for Economic Development of Australia as an individual entity. Committee for Economic Development of Australia is a company limited by guarantee, incorporated and domiciled in Australia.

A statement of compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) cannot be made due to the entity applying not-for-profit specific requirements contained in the Australian Accounting Standards.

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report.

Basis of Preparation:

The accounting policies set out below have been consistently applied to all years presented. The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

New, revised or amending Accounting Standards and Interpretations adopted:

The entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any impact on the financial position of the entity.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Company.

Management anticipates that all of the relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement.

The company is in the process of considering the impact of these new standards, amendments and interpretations.

Accounting Policies:

a) Plant and Equipment, Leasehold Improvements

Plant and Equipment and Leasehold Improvements are measured on the cost basis less depreciation and impairment losses.

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

Notes to the Financial Statements

For year ended 30 June 2015

a) Plant and Equipment, Leasehold Improvements (Continued)

Depreciation

The depreciable amount of all fixed assets including capitalised leased assets, but excluding ordinary plant and equipment, are depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use. Any item of less than \$1,000 has been allocated into a low value pool. Ordinary plant and equipment is depreciated by the diminishing value method. 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 assets are:

| <u>Class of Fixed Asset</u> | <u>Depreciation Rate</u> |
|-----------------------------------|--------------------------|
| Plant and Equipment | 20.0% |
| Computer and Associated Equipment | 33.3% |
| Leasehold Improvements | 20.0% |
| Low Value Pool | 37.5% |
| Estimated Make Good Cost | 20.0% |
| Software | 33.3% |

b) Leases

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

Finance Leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the company will obtain ownership of the asset or over the term of the lease.

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.

c) Impairment of assets

At each reporting date, the company reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value.

Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

d) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on costs. 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. Those cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Notes to the Financial Statements

For year ended 30 June 2015

e) Provisions

Provisions are recognized 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.

f) Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of nine months (on average) or less.

g) Revenue

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

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Subscription revenue is progressively recognised over the term of the subscription with the unexpired portion treated as Subscriptions Income in Advance.

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) Goods and Services Tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognized as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

i) Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

j) Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Notes to the Financial Statements

For year ended 30 June 2015

j) Financial Instruments (Continued)

De-recognition

Financial assets are de-recognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity is no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are de-recognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

Loans and receivables

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

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

k) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report 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.

Key Estimates – Impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. When an impairment trigger exists, the recoverable amount of the asset is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgements – Doubtful Debts Provision

Based on best available current information and historical knowledge a doubtful debt provision of \$10,000 has been made at 30 June 2015.

l) Income Tax

The company is exempt from Income Tax. Accordingly no income tax expense, deferred or otherwise, or income tax payable amounts are recorded in the financial statements.

m) Going Concern

The Directors have prepared these accounts on a going concern basis for the 2015 financial year.

The financial report was authorised for issue on 7 September 2015 by the Board of Directors.

Notes to the Financial Statements

For year ended 30 June 2015

| | <u>2015</u> | <u>2014</u> |
|--|-------------------|------------------|
| | \$ | \$ |
| Note 2 | | |
| <u>REVENUE</u> | | |
| Operating Activities | | |
| Subscriptions | 3,447,791 | 3,267,076 |
| Research and Related Conferences and Briefings | 7,129,765 | 5,940,917 |
| | <u>10,577,556</u> | <u>9,207,993</u> |
| Non Operating Activities | | |
| Interest - other persons | 173,238 | 131,421 |
| Sundry Income | 66,112 | 41,714 |
| Total Revenue | <u>10,816,906</u> | <u>9,381,128</u> |
| | | |
| Note 3 | | |
| <u>PROFIT FROM ORDINARY ACTIVITIES</u> | | |
| Profit from Ordinary Activities has been determined after: | | |
| Expenses: | | |
| Finance Costs: | | |
| Other Parties | 3,496 | 9,669 |
| | <u>3,496</u> | <u>9,669</u> |
| Depreciation of Plant and Equipment | 72,260 | 82,689 |
| Amortisation | 222,941 | 150,000 |
| Doubtful Debts - Trade Receivables | 3,145 | (11,398) |
| Net (Gain)/Loss on Disposal Plant & Equipment | 128 | 1,199 |
| Net (Gain)/Loss on Disposal Intangibles | - | 11,054 |
| Rental Expense on Operating Leases | | |
| Minimum Lease Payments | 696,764 | 674,652 |
| Remuneration of the Auditors: | | |
| Audit or Reviewing the Financial Report | 25,000 | 24,000 |
| | | |
| Note 4 | | |
| <u>CASH AND CASH EQUIVALENTS</u> | | |
| Cash at Bank and in Hand | 119,901 | 344,710 |
| Short Term Bank Deposits | 7,214,457 | 5,001,538 |
| | <u>7,334,358</u> | <u>5,346,248</u> |

The effective interest rate on short-term bank deposits was 3.08% (2014: 3.56%). These deposits have an average maturity of 226 days. Cash at the end of the financial year as shown in the cash flow statement is reconciled to items in the Statement of Financial Position in Note 14.

Notes to the Financial Statements

For year ended 30 June 2015

| | <u>2015</u> | <u>2014</u> |
|---|-----------------------|-----------------------|
| | \$ | \$ |
| Note 5 | | |
| <u>TRADE AND OTHER RECEIVABLES</u> | | |
| Trade Debtors | 577,064 | 488,275 |
| Sponsorship | - | - |
| GST Input Credits | 146,005 | 123,535 |
| Provision for Doubtful Debts | <u>(10,000)</u> | <u>(8,000)</u> |
| | <u>713,069</u> | <u>603,810</u> |
| | Total | |
| | \$ | |
| Provision for Doubtful Debts | | |
| Opening Balance at 1 July 2014 | 8,000 | |
| Additional Provisions | 3,145 | |
| Provisions written back | - | |
| Amounts Used | <u>(1,145)</u> | |
| Balance at 30 June 2015 | <u>10,000</u> | |

Provision for Impairment of Receivables

Current trade and term receivables are non-interest bearing and generally on 30 day terms. A provision for impairment is recognised when there is objective evidence that an individual trade or term receivable is impaired.

Note 5(a) **Impaired trade receivables**

As at 30 June 2015 current trade receivables with a nominal value of \$10,000 (2014 : \$8,000) were impaired. The amount of the provision was \$10,000 (2014 : \$8,000). The individually impaired receivables mainly relate to event registrations from entities, which are in unexpectedly difficult economic situations.

The ageing of these receivables is as follows:

| | | |
|---------------|----------------------|---------------------|
| 1 to 3 months | - | - |
| 3 to 6 months | 1,432 | 2,350 |
| Over 6 months | <u>8,568</u> | <u>5,650</u> |
| | <u>10,000</u> | <u>8,000</u> |

Note 5(b) **Past due but not impaired**

As of 30 June 2015, trade receivables of \$207,633 were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The ageing analysis of these trade receivables is as follows:

| | | |
|----------------|-----------------------|-----------------------|
| Up to 3 months | 160,819 | 156,205 |
| 3 to 6 months | <u>46,814</u> | <u>9,754</u> |
| | <u>207,633</u> | <u>165,959</u> |

Note 6 **OTHER CURRENT ASSETS**

| | | |
|-------------|-----------------------|-----------------------|
| Prepayments | <u>466,336</u> | <u>313,523</u> |
| | <u>466,336</u> | <u>313,523</u> |

Notes to the Financial Statements

For year ended 30 June 2015

| | <u>2015</u> | <u>2014</u> |
|--|-----------------------|-----------------------|
| | \$ | \$ |
| Note 7 | | |
| <u>PLANT AND EQUIPMENT, LEASEHOLD IMPROVEMENTS</u> | | |
| Plant and Equipment - At Cost | 514,039 | 538,878 |
| <u>Less: Accumulated Depreciation</u> | <u>(422,898)</u> | <u>(402,527)</u> |
| <u>TOTAL PLANT & EQUIPMENT</u> | <u>91,141</u> | <u>136,351</u> |
| | | |
| Leasehold Improvements & Makegoods | 949,803 | 932,243 |
| <u>Less: Accumulated Depreciation</u> | <u>(825,500)</u> | <u>(690,224)</u> |
| <u>TOTAL LEASEHOLD IMPROVEMENTS</u> | <u>124,303</u> | <u>242,019</u> |
| | | |
| <u>TOTAL PLANT AND EQUIPMENT, LEASEHOLD IMPROVEMENT</u> | <u>215,444</u> | <u>378,370</u> |

Note 7(a) **Movements in Carrying Amounts**

Movements in the carrying amounts of each class of non-current asset between the beginning and the end of the current financial year.

| | Plant & Equipment | Leasehold Improvement | Makegood Melb Lease | Makegood Bris Lease | TOTAL |
|---|----------------------------------|----------------------------------|--------------------------------|--------------------------------|-----------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Balance at the beginning of the year | 136,351 | 210,269 | 21,250 | 10,500 | 378,370 |
| Additions | 27,178 | 17,560 | - | - | 44,738 |
| Assets disposed / scrapped | (128) | - | - | - | (128) |
| Depreciation and Amortisation Expense | (72,260) | (114,995) | (13,281) | (7,000) | (207,536) |
| Carrying amount as at 30 June 2015 | <u>91,141</u> | <u>112,834</u> | <u>7,969</u> | <u>3,500</u> | <u>215,444</u> |

The carrying value of assets purchased with Finance Lease is \$16,195 (2014 carrying value \$45,914)

Notes to the Financial Statements

For year ended 30 June 2015

| | <u>2015</u> | <u>2014</u> |
|---------------------------------------|-----------------------|----------------------|
| | \$ | \$ |
| Note 8 | | |
| <u>INTANGIBLES</u> | | |
| Software | 457,027 | 236,021 |
| <u>Less: Accumulated Amortisation</u> | <u>(301,067)</u> | <u>(207,053)</u> |
| | <u>155,960</u> | <u>28,968</u> |

Note 8(a) **Movements in Carrying Amounts**
 Movements in the carrying amount of intangibles between the beginning and the end of the current financial year.

| | TOTAL |
|---|-----------------------|
| | \$ |
| Balance at the beginning of the year | 28,968 |
| Additions | 214,657 |
| Assets disposed/scrapped | - |
| Amortisation expense | (87,665) |
| Carrying amount as at 30 June 2015 | <u>155,960</u> |

| | <u>2015</u> | <u>2014</u> |
|--|-------------------------|-------------------------|
| | \$ | \$ |
| Note 9 | | |
| <u>TRADE AND OTHER PAYABLES</u> | | |
| Trade Payables | 556,108 | 420,136 |
| Sundry Payables and Accrued Expenses | 560,045 | 337,898 |
| GST Collected | 383,451 | 323,815 |
| | <u>1,499,604</u> | <u>1,081,849</u> |

| | <u>2015</u> | <u>2014</u> |
|--------------------------|-----------------------|-----------------------|
| | \$ | \$ |
| Note 10 | | |
| <u>PROVISIONS</u> | | |
| Current | 421,963 | 201,762 |
| Non Current | 179,571 | 344,548 |
| | <u>601,534</u> | <u>546,310</u> |

| | Employee Benefits | Make Good Melbourne Lease | Make Good Sydney Lease | Make Good Brisbane Lease | Total |
|--------------------------------|-----------------------|---------------------------------|------------------------------|--------------------------------|-----------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Opening Balance at 1 July 2014 | 295,310 | 110,000 | 106,000 | 35,000 | 546,310 |
| Additional Provisions | 335,086 | - | - | - | 335,086 |
| Amounts Used | (279,862) | - | - | - | (279,862) |
| Balance at 30 June 2015 | <u>350,534</u> | <u>110,000</u> | <u>106,000</u> | <u>35,000</u> | <u>601,534</u> |

Notes to the Financial Statements

For year ended 30 June 2015

Note 10 **PROVISIONS con't**

Make Good Provisions

A provision has been recognised for lease commitments to settle the make good requirement at the conclusion of the lease. The various leases are detailed in Note 12.

Provision for Long Term Employee Benefits

A provision has been recognised for non current employee benefits relating to long service leave for employees. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been included in Note 1 to this report.

| | <u>2015</u> | <u>2014</u> |
|---|------------------|------------------|
| | \$ | \$ |
| Note 11 <u>SUBSCRIPTIONS AND INCOME IN ADVANCE</u> | | |
| Subscriptions in Advance | 1,917,023 | 1,595,997 |
| Sponsorship & Conference Centre Income in Advance | 1,568,972 | 1,291,034 |
| | <u>3,485,995</u> | <u>2,887,031</u> |

Note 12 **CAPITAL AND LEASING COMMITMENTS**

Operating Lease and Rental Commitments

Non - cancellable operating leases contracted for but not capitalised in the Financial Statements.

| | | |
|---------------------------------|------------------|------------------|
| Payable: Minimum Lease Payments | | |
| Not later than 12 months | 664,708 | 777,076 |
| Between 12 months and 5 years | 820,716 | 1,332,207 |
| Greater than 5 years | - | - |
| | <u>1,485,424</u> | <u>2,109,283</u> |

DETAILS OF PROPERTY LEASES

i) Melbourne

The lease is a non-cancellable lease with a five year term commencing 1 April 2008, with rent payable monthly in advance.

Provision is made within the lease agreement that require the lease payments to be increased at the end of each year by 4%. An option exists to renew the lease at the end of the fifth year for an additional term of three years.

The option to renew for a further 3 years has been exercised. The lease is therefore now extended to 1 April 2016.

ii) Sydney

The lease is a non-cancellable lease with a six year term commencing 1 January 2013 with rent payable monthly in advance.

Provision is made within the lease agreement that require the lease payments to be increased at the end of each year by 4%.

A new lease was negotiated to enable CEDA to remain in its current Sydney premises. The original lease commenced in January 2007.

Notes to the Financial Statements

For year ended 30 June 2015

Note 12 **CAPITAL AND LEASING COMMITMENTS (Continued)**

iii) Adelaide

The lease is a non cancellable lease with a five year term commencing 1 January 2006 with rent payable monthly in advance.

Provision is made within the lease agreement that require the lease payments to be increased at the end of each year by 4%.

An option exists to renew the lease at the end of the five year term for an additional term of five years. The option was exercised in September 2010 and the lease now expires in December 2015.

iv) Brisbane

The lease is a non cancellable lease with a five year term commencing 1 January 2011 with rent payable monthly in advance.

Provision is made within the lease agreement that require the lease payments to be increased at the end of each year by 3.75%.

There is no option to renew.

v) Perth

The lease is a non cancellable lease with a five year term commencing 1 October 2012 with rent payable monthly in advance.

Provision is made within the lease agreement that require the lease payments to be increased at the end of each year by 5%.

There is no option to renew.

Note 13 **SEGMENT REPORTING**

CEDA is an individual entity, Committee for Economic Development of Australia, and operates in one business and geographic segment.

Note 14 **CASH FLOW INFORMATION**

a) Reconciliation of Cash

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:

| | <u>2015</u> \$ | <u>2014</u> \$ |
|---|-------------------|-------------------|
| Cash at Bank and in Hand | 119,901 | 344,710 |
| Short term Deposits including accrued interest with Financial Institutions | <u>7,214,457</u> | <u>5,001,538</u> |
| | <u>7,334,358</u> | <u>5,346,248</u> |

CEDA has four bank guarantees. The first is for the Sydney office to Permanent Trustee Australia Limited for \$178,600 and the second is for the Melbourne office to Enwerd Pty Ltd for \$115,907. The third is for the Brisbane office to Charter Hall Property Management for \$85,769 and the fourth is for the Perth office to Local Government Superannuation Plan Pty Ltd for \$49,863.

CEDA has restricted cash totalling the above guarantees secured by the NAB to cover these liabilities.

Notes to the Financial Statements

For year ended 30 June 2015

Note 14 **CASH FLOW INFORMATION (Continued)**

b) Reconciliation of Cash Flows from Operations to Loss from Ordinary Activities

| | <u>2015</u> \$ | <u>2014</u> \$ |
|--|-------------------------|-------------------------|
| Profit / (Loss) from ordinary activities | 1,142,305 | 686,126 |
| Non - Cash Flows in Profit from Ordinary Activities | | |
| Depreciation and amortisation | 295,201 | 232,689 |
| Net Loss on Disposal of Plant & Equipment | 128 | 1,199 |
| Changes in Assets and Liabilities: | | |
| Decrease / (Increase) in Trade and Other Receivables | (109,260) | (171,736) |
| Decrease / (Increase) in Prepayments | (152,813) | (84,397) |
| Increase / (Decrease) in Trade and Other Payables | 417,755 | 80,643 |
| Increase / (Decrease) in Subs and Income in Advance | 598,964 | 749,252 |
| Increase / (Decrease) in Provisions | 55,224 | 26,584 |
| <u>CASH FLOWS FROM OPERATIONS</u> | <u><u>2,247,504</u></u> | <u><u>1,520,360</u></u> |

Note 15 **FINANCIAL RISK MANAGEMENT**

The company's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the financial performance of the company. The methods used to manage risk include sensitivity analysis for interest rate risk and aging analysis for credit risk. The company prepares forward looking cash flow analyses in relation to its operational, investing and financing activities to manage liquidity risk.

Notes to the Financial Statements

For year ended 30 June 2015

Note 15 **FINANCIAL RISK MANAGEMENT (Continued)**

a) Interest Rate Risk

At the reporting date the interest rate profile of the Company's variable interest-bearing financial instruments was:

| | <u>2015</u> \$ | <u>2014</u> \$ |
|---|-------------------|-------------------|
| <u>Variable rate instruments</u> | | |
| Financial Assets | 7,334,358 | 5,346,248 |

Interest rate risk is managed via fixed rate debt.

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased equity and profit or loss by the amounts shown in Note 16(b). This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2014.

b) Credit Risk

Credit risk is managed at the Board level. Sales are required to be settled in cash or using major credit cards, mitigating credit risk. The maximum exposure to credit risk, excluding the value of any collateral or other security at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the balance sheet position and notes to the financial statements.

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

The credit risk for counterparties included in trade and other receivables at 30 June 2015 is detailed below:

| | <u>2015</u> \$ | <u>2014</u> \$ |
|------------------------------------|-----------------------|-----------------------|
| Trade and other receivables | | |
| Counterparties not rated | 713,069 | 603,810 |
| Total | <u>713,069</u> | <u>603,810</u> |

Notes to the Financial Statements

For year ended 30 June 2015

Note 16 **FINANCIAL INSTRUMENTS**

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

| | Weighted Average Effective Interest Rate | | Floating Interest Rate | |
|------------------------------------|---|-------------|------------------------|------------------|
| | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| | % | % | \$ | \$ |
| Financial Assets: | | | | |
| Cash and cash equivalents | 3.08 | 3.56 | 7,334,358 | 5,346,248 |
| Receivables | - | - | - | - |
| Total Financial Assets | 3.08 | 3.56 | 7,334,358 | 5,346,248 |
| Financial Liabilities: | | | | |
| Trade and sundry payables | - | - | - | - |
| Total Financial Liabilities | - | - | - | - |
| | Fixed Interest Rate Maturing | | Non Interest Bearing | |
| | Within 1 Year | | | |
| | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| | \$ | \$ | \$ | \$ |
| Financial Assets: | | | | |
| Cash and cash equivalents | - | - | - | - |
| Receivables | - | - | 713,069 | 603,810 |
| Total Financial Assets | - | - | 713,069 | 603,810 |
| Financial Liabilities: | | | | |
| Trade and sundry payables | - | - | 1,499,604 | 1,081,849 |
| Borrowings | - | - | - | - |
| Total Financial Liabilities | - | - | 1,499,604 | 1,081,849 |
| | 1 to 5 Years | | Non Interest Bearing | |
| | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| | \$ | \$ | \$ | \$ |
| Financial Liabilities: | | | | |
| Trade and sundry payables | - | - | - | - |
| Borrowings | - | - | - | - |
| Total Financial Liabilities | - | - | - | - |

Notes to the Financial Statements

For year ended 30 June 2015

Note 16 **FINANCIAL INSTRUMENTS (Continued)**

Liquidity Risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages the risk through the following mechanisms:

Preparing forward cash flow analysis in relation to operational, investing and financing activities;

Maintaining a reputable credit profile;

Managing credit risk relating to financial assets;

Investing surplus cash only with major financial institutions; and

Comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

| | Total | |
|------------------------------------|-------------------------|-------------------------|
| | <u>2015</u> | <u>2014</u> |
| | \$ | \$ |
| Financial Assets: | | |
| Cash and cash equivalents | 7,334,358 | 5,346,248 |
| Receivables | 713,069 | 603,810 |
| Total Financial Assets | <u>8,047,427</u> | <u>5,950,058</u> |
| Financial Liabilities: | | |
| Trade and sundry payables | 1,499,604 | 1,081,849 |
| Borrowings | - | - |
| Total Financial Liabilities | <u>1,499,604</u> | <u>1,081,849</u> |

Financial Liabilities are expected to be paid as follows:

| | <u>2015</u> | <u>2014</u> |
|--------------------|-------------------------|-------------------------|
| | \$ | \$ |
| Less than 6 months | 1,499,604 | 1,081,849 |
| 6 months to 1 year | - | - |
| 1 - 5 years | - | - |
| Over 5 years | - | - |
| | <u>1,499,604</u> | <u>1,081,849</u> |

Notes to the Financial Statements

For year ended 30 June 2015

Note 16 **FINANCIAL INSTRUMENTS (Continued)**

a) Net Fair Values

The net fair value of financial assets and financial liabilities approximates their carrying values. Aggregate net fair values and carrying amounts of financial assets and financial liabilities at balance date are presented in the respective financial statement notes.

b) Sensitivity Analysis

Interest Rate Risk

The company has performed sensitivity analysis relating to its exposure to interest rate risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in these risks.

Interest Rate Sensitivity Analysis

At 30 June 2015, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

| | Amount of impact | | Result | |
|-----------------------------------|-------------------------|--------------------|--------------------|--------------------|
| | <u>2015</u> | <u>2014</u> | <u>2015</u> | <u>2014</u> |
| | \$ | \$ | \$ | \$ |
| Change in profit | | | | |
| — Increase in interest rate by 1% | 73,344 | 53,462 | 1,215,649 | 739,588 |
| — Decrease in interest rate by 1% | (73,344) | (53,462) | 1,068,962 | 632,664 |
| Change in Equity | | | | |
| — Increase in interest rate by 1% | 73,344 | 53,462 | 3,371,378 | 2,209,191 |
| — Decrease in interest rate by 1% | (73,344) | (53,462) | 3,224,691 | 2,102,267 |

Notes to the Financial Statements

For year ended 30 June 2015

Note 17 **CAPITAL MANAGEMENT**

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its operational programs and that returns from investments are maximised. The Audit & Risk Committee ensures that the overall risk management strategy is in line with this objective.

The Audit & Risk Committee operates under policies approved by the Board of Directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entity's capital consists of financial liabilities supported by financial assets.

Management effectively manages the entity's capital by assessing the entity's financial risks and responding to changes in these risks and in the market. These responses may include the consideration of debt levels.

There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year.

| | Note | 2015 \$ | 2014 \$ |
|---|------|-------------------------|-------------------------|
| Total Borrowings | | - | - |
| Total Equity (reserves + retained earnings) | | <u>3,298,034</u> | <u>2,155,729</u> |
| Total Capital | | <u>3,298,034</u> | <u>2,155,729</u> |
| Gearing Ratio | | 0.0% | 0.0% |

Notes to the Financial Statements

For year ended 30 June 2015

Note 18 KEY MANAGEMENT PERSONNEL COMPENSATION

In addition to the Directors, the names and positions held of the key management personnel in office at any time during the financial year are:

| Key Management Person | Position |
|-----------------------|----------------------------|
| Calder, Hamilton | SA - State Director |
| Camilleri, Michael | VIC - State Director |
| Kelly, Damian | CFO & Company Secretary |
| Kelly, Lee | NSW - State Director |
| Martin, Stephen | Chief Executive Officer |
| Moynihan, Sherlyn | Director, Member Strategy |
| Murphy, Kyl | QLD – State Director |
| Punton, Roxanne | Director, External Affairs |
| Ritchie, Elizabeth | WA – State Director |

Remuneration policy

The remuneration policy of the company has been designed to align key management personnel objectives with business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the company's financial results. The board of the company believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the company, as well as create goal congruence between directors, executives and the business.

The board's policy for determining the nature and amount of remuneration for key management personnel of the company is as follows:

- The remuneration policy, setting the terms and conditions for the key management personnel, was developed by and approved by the board after seeking professional advice from independent external consultants.
- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation, and fringe benefits.
- The board reviews key management personnel packages annually by reference to the company's performance, executive performance and comparable information from industry sectors.

The key management personnel receive a superannuation guarantee contribution required by the government, which is currently 9.5%, and do not receive any other retirement benefits. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to key management personnel is valued at the cost to the company and expensed. Under the company's constitution, directors (other than executive directors) are not remunerated.

Performance-based remuneration

As part of each of the key management personnel's remuneration package there is a performance-based component, consisting of key performance indicators (KPIs). The intention of this program is to facilitate goal congruence between key management personnel with that of the business. In determining whether or not a KPI has been achieved, the company bases the assessment on audited figures.

Refer below for an outline of key management personnel compensation.

| | Short-term Benefits | | | Post- employment Benefits | Other | Total |
|-------------|-------------------------------|---------------------|---------|------------------------------|-----------------------|-----------|
| | Cash, salary & commissions | Non-cash benefit | Other | Superannuation | Long-term Benefits | |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 2015 | 1,486,065 | - | 141,612 | 154,629 | 48,433 | 1,830,739 |
| 2014 | 1,248,941 | - | 165,427 | 126,980 | 3,648 | 1,544,996 |

Notes to the Financial Statements

For year ended 30 June 2015

Note 19 **RELATED PARTY TRANSACTIONS**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

Note 20 **COMPANY DETAILS**

The registered office of the company is:
Level 5, NICTA Building B
7 London Circuit
CANBERRA ACT 2601

The principal place of business is:
CEDA
Level 13
440 Collins Street
MELBOURNE VIC 3000

The company's principal activities are as shown in the Directors' report.

Note 21 **MEMBERS' GUARANTEE**

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$500 each towards meeting any outstandings and obligations of the entity. At 30 June 2015 the number of members was 700.

Note 22 **EVENTS AFTER THE BALANCE DATE**

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

Directors' Declaration

- 1) The directors of the company declare that the financial statements and notes, as set out on pages 5 to 26 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, *Corporations Act 2001* and present fairly the company's financial position as at 30 June 2015 and its performance for the year ended on that date in accordance with Accounting Standards and other mandatory professional reporting requirements.
- 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 and is signed for and on behalf of the Directors by:

Signed at Sydney this 7th day of September, 2015

In accordance with a Resolution of the Board of Directors.

DIRECTOR



E.P. McClintock AO
Chairman

DIRECTOR



S.P. Martin
Director

The Rialto, Level 30
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Melbourne Victoria 3000

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E info.vic@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration
To the Directors of Committee for Economic Development of Australia

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Committee for Economic Development of Australia for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B.A. Mackenzie
Partner – Audit & Assurance

Melbourne, 7 September 2015

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W www.grantthornton.com.au

Independent Auditor's Report To the Members of Committee for Economic Development of Australia

We have audited the accompanying concise financial report of Committee for Economic Development of Australia comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and related notes, derived from the audited financial report of Committee for Economic Development of Australia for the year ended 30 June 2015. The concise financial report does not contain all the disclosures required by the Australian Accounting Standards and accordingly, reading the concise financial report is not a substitute for reading the audited financial report.

Directors' responsibility for the concise financial report

The Directors are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 Concise Financial Reports, and the Australian Charities and Not-for-profits Commission Act 2012, and for such internal control as the directors determine are necessary to enable the preparation of the concise financial report.

Auditor's responsibility

Our responsibility is to express an opinion on the concise financial report based on our audit procedures which were conducted in accordance with Auditing Standard ASA 810 Engagements to Report on Summary Financial Statements. We have conducted an independent audit, in accordance with Australian Auditing Standards, of the financial report of Committee for Economic Development of Australia for the year ended 30 June 2015. Our audit report on the financial report for the year was signed on 7 September 2015 and was not subject to any modification. The Australian 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 for the year is free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the concise financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the concise financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the concise financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Our procedures in respect of the concise financial report included testing that the information in the concise financial report is derived from, and is consistent with, the financial report for the year, and examination on a test basis, of evidence supporting the amounts and other disclosures which were not directly derived from the financial report for the year. These procedures have been undertaken to form an opinion whether, in all material respects, the concise financial report complies with Accounting Standard AASB 1039 Concise Financial Reports.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012. We confirm that the independence declaration required by the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the directors of Committee for Economic Development would be in the same terms if given to the directors as at the time of this auditor's report.

Auditor's opinion

In our opinion, the concise financial report of Committee for Economic Development of Australia for the year ended 30 June 2015 complies with Accounting Standard AASB 1039 Concise Financial Reports.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B.A. Mackenzie
Partner – Audit & Assurance

Melbourne, 7 September 2015