committee for economic development of australia

Annual Financial Report

for the year ended 30 June 2020

Committee for Economic Development of Australia
ABN 49 008 600 922

Contents

Directors' Report

Your Directors have pleasure in presenting their report on the Company for the financial year ended 30 June 2020.

Directors

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

Paul McClintock AO, Chairman (ceased 19 November 2019)
Diane Smith-Gander AO, Chairman (commenced 20 November 2019)
Jeffrey Borland
Gordon de Brouwer PSM
Jeff Connolly (commenced November 2019)
Patricia Faulkner AO (ceased 19 November 2019)
John Langoulant AO (ceased 30 April 2020)
Ming Long AM (commenced 18 September 2019)
Megan Motto
Pradeep Philip
Miriam Silva
Stephen Spargo AM (ceased 19 November 2019)
Andrew Stevens (ceased 19 November 2019)
Rebecca Tomkinson (commenced 21 April 2020)
Ian Watt AC
Melinda Cilento, CEO

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

Company Secretary

The following person(s) held the position of company secretary during the year:

Richard Bowen, Chief Operations Officer (ceased 16 January 2020)
Hamilton Calder, State Director SA/NT (commenced 17 January 2020)

Principal Activities

The Company is an independent, apolitical, member organisation, whose membership is drawn from the business, government, community and education sectors. The Company undertakes research and promotes discussion and debate on the issues affecting Australia's economic and social development.

Short-term and Long-term Objectives

The Company's objective is the achievement of better economic, social and environmental outcomes for Australia, which it pursues through a range of research and advocacy in support of the implementation of better policy.

COVID-19 Pandemic impact on Operations

The COVID-19 pandemic and the subsequent government restrictions have impacted the usual business activities of the Company. From March 2020, imposition of social distancing restrictions required the cessation of face to face economic and social policy discussions, adversely impacting the Company's revenue generation. The Company was eligible for and received Federal Government pandemic support payments from March 2020 until the end of the Financial Year. The financial impacts of the COVID-19 pandemic are fully disclosed in the Financial Statements.

Directors' Report

Information on Directors:

Paul McClintock AO	- Chair, CEDA (ceased 19 November 2019) - Chair, Broadspectrum Pty Ltd - Chair, NSW Ports - Chair, I MED Network Radiology - Chair, Laser Clinics Australia - Chair, Sydney Health Partners - Chair, St Vincent's Health Australia Limited (commenced October 2019, previously Vice-Chair) - Director, O'Connell Street Associates Pty Limited - Director, The George Institute for Global Health (ceased August 2019)
Diane Smith-Gander AO	- Chair, CEDA (commenced 20 November 2019) - Chair, Safe Work Australia - Chair, Asbestos Safety and Eradication Council of Australia (ceased March 2020) - Director, AGL Energy Limited - Director, HBF Health Limited (commenced May 2020) - Director, Keystart Group of Companies - Director, North Queensland Airports - Director, Wesfarmers Limited - Adjunct Professor in Corporate Governance, University of Western Australia - Deputy Chair, UWA Business School Advisory Board - Member, Fundraising committee, WA Parks Foundation - Member, NRFA (Norton Rose Fullbright Australia) Partnership Council (ceased July 2020) - Senior Advisor, McKinsey & Company - Business champion, New Colombo Plan
Jeffrey Borland	- Truby Williams Professor, Department of Economics, University of Melbourne - President, Economic Society of Australia, Victorian Branch (ceased January 2020) - Member, Melbourne University Publishing Editorial Advisory Board - Member, Industry Advisory Board, Department of Economics, Macquarie University - Research Affiliate, Tax-Transfer Policy Institute, Australian National University - Member, Commonwealth Mental Health Workforce Strategy Taskforce (commenced February 2020)
Gordon de Brouwer PSM	- Honorary Professor and Distinguished Policy Fellow, Australian National University - Adjunct Professor, University of Canberra - Non-resident fellow, Centre for Strategic and International Studies, Washington, D.C. - Director, Australian Nuclear Science and Technology Organisation - Member, Advisory Board of the 50/50 by 2030 Foundation - Member, Advisory Board of The Nature Conservancy Australia -
Jeff Connolly	- Chair and CEO, Siemens Ltd - Chair, Siemens Industry Software Pty Ltd - Chair, Siemens (N.Z.) Limited - Chair, German-Australian Chamber of Industry and Commerce - President, Australian Industry Group Victoria - Director, Australian Industry Group Limited - Adjunct Professor, Swinburne University - Director, Siemens Mobility Pty Ltd - Director, Siemens Healthcare Pty Ltd - Director, Exemplar Health (SCUH) Holdings - Director, Exemplar Health (NBH) Holdings - Director, European-Australian Business Council - Member, Business Council of Australia - Member, Australian Industry Group Defence Council - Advisory Councillor, Australian Industry Group Industry 4.0 Advanced Manufacturing Forum

Directors' Report

Information on Directors (continued):

Patricia Faulkner AO	- Chair, Jesuit Social Services - Chair, Telecommunications Industry Ombudsman (ceased July 2019) - Chair, Melbourne Racing Club Foundation - Chair, Advisory Panel to the CEO Commonwealth Bank - Board Member, VicSuper Board Member, Melbourne Theatre Company - Board Member, Melbourne Theatre Company - Board Member, Catholic Professional Standards - Committee Member, Melbourne Racing Club
John Langoulant AO	- Chair, Government Employees Superannuation Board - Chair, Westpac Group, Western Australia - Chair, Power and Water Corporation (Northern Territory) - Chair, Dampier to Bunbury Natural Gas Pipeline - Chair, Rottnest Island Authority - Chair, Pawsey Supercomputing Centre - Chair, Telethon Kids Institute (ceased August 2019) - Chair, The Lester (formerly ARTrinsic) - Chair, Amana Living - Chair, Infrastructure WA - Chair, Fundraising Committee WA Parks Foundation - Board Member, National Disability Insurance Agency - Board Member, Multinet Pty Ltd
Ming Long AM	- Chair, AMP Capital Funds Management Limited - Chair, AMP Investment Services Pty Limited - Member, Managed Investment Scheme Compliance Committee, National Mutual Funds Management Limited - Member, Managed Investment Scheme Compliance Committee, Ipac Asset Management Limited - Deputy Chair, Diversity Council of Australia - Director, QBE Insurance (Australia) Limited - Director, QBE Lenders Mortgage Insurance Limited - Director, QBE Insurance (International) Pty Limited - Director, Chartered Accountants Australia & New Zealand - Advisory Board Member, Sydney University Culture Committee - Convenor, Male Champions of Change
Megan Motto	- CEO, Governance Institute of Australia - Director, Standards Australia - Director, Next Gen & Co
Pradeep Philip	- Partner, Deloitte Access Economics - Director, The Medtech Actuator - Member, Melbourne School of Governance Advisory Board, University of Melbourne - Board Member, Melbourne Montessori School
Miriam Silva	- Chair, Premier's Council for Women (SA) - Director, South Australian Film Corporation - Director, Islamic Museum of Australia - Board Member, Malek Fahd Islamic Schools Limited - Member, University of South Australia Council - Member, Muslim Women's Association of South Australia - Director, Centre for Muslim Wellbeing
Stephen Spargo AM	- Chair, Australian Golf Foundation - President, Golf Victoria Ltd - Director, Stanbury Consultants Pty Ltd - Director, The Florey Institute for Neuroscience and Mental Health - Director, Cormack Foundation Pty Ltd - Director, Foundation for Australia-Japan Studies - Member, Asia Society AustralAsia Centre Advisory Board - Adjunct Professor in Law Resources, Monash Law School, Monash University

Directors' Report

Information on Directors (continued):

Andrew Stevens	- Chair, Innovation and Science Australia - Chair, Data Standards Body - Director, Thorn Group Australia - Director, Greater Western Sydney Football Club Limited - Director, Stockland Corporation Limited - Member, Advisory Executive, UNSW Business School - Member, Male Champions of Change
Rebecca Tomkinson	- CEO, Royal Flying Doctor Service (WA) - Chair, Wheatbelt Development Commission - Senate Member, Murdoch University - Board Member, Perth Zoo (ceased August 2019) - Chair, WA Regional Development Council
Dr Ian Watt AC	- Chair, International Centre for Democratic Partnerships - Chair, Australian Davos Connection Advisory Council - Chair, Public Policy Committee, Grattan Institute - Chair, Australian Governance Masters Index Fund - Director, Citigroup Pty Ltd - Director, Smartgroup Corporation Limited - Director, O'Connell Street Associates Pty Ltd - Senior Adviser, Flagstaff Partners Pty Ltd - Board Member, Grattan Institute - Member, Male Champions of Change - Member, Melbourne School of Governance Advisory Board, University of Melbourne - Member, Australian National Maritime Museum Council - Independent Reviewer, Review of the Tasmanian State Service (commenced November 2019)
Melinda Cilento, CEO	- Director, Australian Unity - Co-Chair, Reconciliation Australia - Member, Investment Committee, GO Foundation (commenced October 2019)

Directors' Report

Meetings of Directors:

Directors' Meetings

	Number Attended	**Number Eligible**
Paul McClintock AO	1	2
Diane Smith-Gander AO	7	7
Jeffrey Borland	7	7
Gordon de Brouwer PSM	5	7
Jeff Connolly	5	5
Patricia Faulkner AO	2	2
John Langoulant AO	3	5
Ming Long AM	6	6
Megan Motto	7	7
Pradeep Philip	5	7
Miriam Silva	7	7
Stephen Spargo AM	2	2
Andrew Stevens	2	2
Rebecca Tomkinson	3	3
Ian Watt AC	5	7
Melinda Cilento	7	7

Contribution in winding up

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 2020, the collective liability of members was $343,500 (2019: $385,000).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2020 has been received and can be found on page 27, and forms part of the directors' report.

Signed on 1 September 2020 in accordance with a Resolution of the Board of Directors.

DIRECTOR.

Diane Smith-Gander AO
Chairman

Statement of Profit or Loss and Other Comprehensive Income

For year ended 30 June 2020

	NOTE	2020 $	2019 $
Revenue and Income	2 (a)	**9,583,557**	11,795,622
Depreciation and Amortisation Expense	3	**(1,014,231)**	(148,300)
Employee Benefits Expense		**(6,365,441)**	(5,680,419)
Lease Expense	1 (b)	-	(775,889)
Research, Conferences and Briefings Expense		**(1,908,935)**	(2,869,647)
Other Operating Expenses		**(1,928,739)**	(1,795,557)
Net Result from Operations		**(1,633,789)**	525,810
Finance Income	2 (b)	**84,325**	583,178
Other Income	2 (c)	**614,735**	105,677
Total Comprehensive (Deficit) / Surplus for the Year		**(934,729)**	1,214,665

Statement of Financial Position

As at 30 June 2020

	NOTE	2020 $	2019 $
CURRENT ASSETS			
Cash and Cash Equivalents	4	**2,695,390**	6,819,336
Trade and Other Receivables	5	**394,243**	591,712
Other Financial Assets	12	**1,017,436**	536,143
Other Current Assets		**274,240**	331,326
TOTAL CURRENT ASSETS		**4,381,309**	8,278,517
NON CURRENT ASSETS			
Furniture, Equipment and Leasehold Improvements	6	**929,106**	542,589
Intangibles	7	**208,980**	145,789
Right of Use Assets	11	**2,059,644**	-
Other Financial Assets	12	**8,967,530**	7,423,038
TOTAL NON CURRENT ASSETS		**12,165,260**	8,111,416
TOTAL ASSETS		**16,546,569**	16,389,933
CURRENT LIABILITIES			
Trade and Other Payables	8	**530,923**	1,280,898
Lease Liabilities	11	**618,173**	-
Short - Term Provisions	9	**822,918**	427,192
Contract Liabilities	10	**2,768,991**	3,537,226
TOTAL CURRENT LIABILITIES		**4,741,005**	5,245,316
NON CURRENT LIABILITIES			
Lease Liabilities	11	**1,594,774**	-
Long - Term Provisions	9	**149,740**	148,838
TOTAL NON CURRENT LIABILITIES		**1,744,514**	148,838
TOTAL LIABILITIES		**6,485,519**	5,394,154
NET ASSETS		**10,061,050**	10,995,779
EQUITY			
Retained Earnings		**1,561,050**	10,995,779
General Reserves	15	**8,500,000**	-
TOTAL EQUITY		**10,061,050**	10,995,779

Statement of Changes in Equity

For year ended 30 June 2020

	Retained Earnings $	General Reserves $	Total Equity $
Balance at 30 June 2018	**9,781,114**	**-**	**9,781,114**
Total Comprehensive Income	1,214,665	-	1,214,665
Balance at 30 June 2019	**10,995,779**	**-**	**10,995,779**
Total Comprehensive Income	(934,729)	-	(934,729)
Transfer Between Equity Components	(8,500,000)	8,500,000	-
Balance at 30 June 2020	**1,561,050**	**8,500,000**	**10,061,050**

Statement of Cash Flows

For year ended 30 June 2020

	NOTE	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Subscriptions		**3,719,041**	4,529,728
Research, Conferences and Briefings		**5,277,870**	7,386,212
Payments to Suppliers & Employees		**(9,764,986)**	(10,919,037)
Interest Received		**58,539**	132,445
Interest Paid	3	**(135,738)**	-
Sundry Income		**9,688**	10,377
NET CASH PROVIDED BY OPERATING ACTIVITIES	**13(b)**	**(835,586)**	1,139,725
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Investments		**(2,000,000)**	-
Proceeds from Sale of Equipment		**35,511**	-
Purchase of Equipment & Intangibles		**(822,051)**	(574,421)
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		**(2,786,540)**	(574,421)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of Lease Liabilities	3	**(501,820)**	-
NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES		**(501,820)**	-
NET INCREASE / (DECREASE) IN CASH HELD		**(4,123,946)**	565,304
CASH AT BEGINNING OF YEAR	13(a)	**6,819,336**	6,254,032
CASH AT END OF YEAR	**13(a)**	**2,695,390**	6,819,336

Notes to the Financial Statements

For year ended 30 June 2020

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 – Reduced Disclosure Requirements, Australian Accounting Interpretations and 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. The 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 applied. 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.

COVID-19 impact:

The COVID-19 pandemic and the subsequent government restrictions have impacted the usual business activities of the Company. The impacts of COVID-19 are reported in the Financials Statements as follows:

- From March 2020, imposition of social distancing restrictions required the cessation of face to face economic and social policy discussions until the end of the Financial Year, impacting the Company's revenue generation of Research, Conferences and Briefings Income, as disclosed in note (2a), and the Statement of Cash flows.
- The cessation of these events also impacted the Research, Conference and Briefings Expense, disclosed in the Statement of Profit or Loss and the Statement of Cash flows.
- Federal Government pandemic support was received by the Company from April 2020 – June 2020 in the form of the Jobkeeper payment, as disclosed in note 2 (c).
- Trade receivables were assessed for Impairment, with a provision of $9,036 recorded at balance date, as disclosed in note 5.

New and amended standards adopted by the Company:

AASB 15 Revenue from Contracts with Customers

The Company has adopted AASB 15 from 1 July 2019. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below.

AASB 1058 Income of Not-for-Profit Entities

The Company has adopted AASB 1058 from 1 July 2019. The standard replaces AASB 1004 'Contributions' in respect to income recognition requirements for not-for-profit entities.

The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt.

Income under the standard is recognised where:

- An asset is received in a transaction, such as by way of grant, bequest or donation;
- There has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and
- Where the intention is to principally enable the entity to further its objectives.

For transfers of financial assets to the entity which enable it to acquire or construct a recognisable non-financial asset, the entity must recognise a liability amounting to the excess of the fair value of the transfer received over any related amounts recognised.

Related amounts recognised may relate to:

- AASB 15 revenue or contract liability recognised;
- Lease liabilities in accordance with AASB 16;
- Financial instruments in accordance with AASB 9; or
- Provisions in accordance with AASB 137.

The liability is brought to account as income over the period in which the entity satisfies its performance obligation. If the transaction does not enable the entity to acquire or construct a recognisable non-financial asset to be controlled by the entity, then any excess of the initial carrying amount of the recognised asset over the related amounts is recognised as income immediately.

Where the fair value of volunteer services received can be measured, a private sector not-for-profit entity can elect to recognise the value of those services as an asset where asset recognition criteria are met or otherwise recognise the value as an expense.

AASB 16 Leases

AASB 16 replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets and an interest expense on the recognised lease liabilities. The Company has adopted AASB 16 from 1 July 2019.

On adoption of AASB 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of AASB 117 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 July 2019.

In applying AASB 16 for the first time, the Company has used the following practical expedients permitted by the standard:

- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 July 2019;
- Accounting for operating leases with a remaining lease term of less than 12 months as at 1 July 2019 as short-term leases;
- Excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application; and
- Using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has elected to use the Modified Retrospective method Option 2. The lease liability was measured at the present value of the remaining lease payments discounted and the right of use asset was equal to the lease liability. There has been no impact on opening retained earnings and prior year comparatives have not been restated.

The Company has also elected not to reassess whether a contract is or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying AASB 117 and Interpretation 4 Determining whether an Arrangement contains a Lease.

Accounting Policies:

a) Equipment, Leasehold Improvements

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

The carrying amount of equipment and leasehold improvements is reviewed annually 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.

Depreciation

All equipment and leasehold improvements, 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. The straight-line method of depreciation is used. 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:

Class of Fixed Asset	Depreciation Rate
Equipment	20.0%
Computer and Associated Equipment	33.3%
Leasehold Improvements	14.3% - 50.0%
Estimated Make Good Costs	14.3% - 50.0%
Software	33.3%

b) Leases

Accounting Policies Applied from 1 July 2019

The Company leases various properties. Rental contracts are typically made for fixed periods of 3 to 7 years but may have extension options as described below.

Until the 2020 financial year, leases of property, plant and equipment were classified as operating leases. From 1 July 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date; and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of property and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

c) Impairment of assets

Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that the loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, and indications that a debtor will enter bankruptcy, adverse changes in the payment status of borrowers or insurers in the company, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Financial assets measured at amortised cost

The Company considers evidence of impairment for financial assets measured at amortised cost (trade and other receivables) at a specific asset level. All individually significant assets are assessed for specific impairment.

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 to the assets original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against trade and other receivables. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised caused the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss.

Non-financial assets

The carrying amounts of the Company's 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. An impairment loss is recognised if the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Depreciated replacement cost is used to determine value in use. Depreciated replacement cost is the current replacement cost of an item of equipment less, where applicable, accumulated depreciation to date, calculated on the basis of such cost.

Impairment losses are recognised in the profit or loss.

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.

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.

e) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

g) Revenue and Income

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.

Conference and Sponsorship revenue received for future periods is treated as Contract Liabilities and recognised as revenue when the event has occurred.

Subscription revenue is progressively recognised over the term of the subscription with the unexpired portion treated as Subscriptions Contract Liabilities.

All other income is recognised on receipt in accordance with AASB 1058

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

h) Finance Income

Finance income comprises interest income on funds invested, fair value gains on financial assets at fair value through profit or loss, dividends, unit trust distributions and imputation credits on funds invested.

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

i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised 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 recognised 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.

j) Financial Instruments

1) Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

2) Classification

For the purpose of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

See Note 12 for details about each type of financial asset.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

3) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus (in the case of a financial asset not at fair value through profit or loss) transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments as follows:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit or loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in revenue.

Equity instruments

The Company subsequently measures all equity investments at fair value. Changes in the fair value of financial assets at fair value through profit or loss are recognised in revenue in the statement of profit or loss as applicable. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

4) Impairment

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and FVTPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note1(c) details how the company determines whether there has been a significant increase in credit risk. For trade receivables only, the company applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Non-derivative financial liabilities

All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

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

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus 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 of trade and other payables.

k) Significant Management Judgement in Applying Accounting Policies

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

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 – Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

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. The Company is, however, entitled to a refund of dividend imputation credits which arise from the Company's investments.

m) Going Concern

The Directors have prepared these accounts on a going concern basis.

The financial report was authorised for issue on 1 September 2020 by the Board of Directors.

n) Determination of Fair Values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Investment in equity and debt securities

The fair value of financial assets at fair value through profit and loss is determined by reference to their quoted bid price at the reporting date.

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

o) Financial Risk Management

Overview

The Company has exposure to credit risk, liquidity risk, market risk and operational risk from its use of financial instruments.

This note presents information about the Company's exposure to these risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout this financial report.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board has established an Audit and Risk Committee, which is responsible for developing and monitoring risk management policies. The Committee reports regularly to the Board of Directors on their activities.

Risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit and Risk Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its obligations. The Company limits its exposure to financial asset credit risk by only investing in liquid securities.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including default risk of the industry in which customers operate, as these factors may have an influence on credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Company's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

Investment management

All investment transactions are carried out within the guidelines set by the Audit and Risk Committee. Generally, the Company seeks to apply a defined percentage of its investment portfolio to a specific investment risk profile in its investments in order to manage volatility in the profit and loss.

The primary goal of the Company's investment strategy is to evaluate its portfolio on a “returns basis”. The Audit and Risk Committee is assisted by external advisors in this regard. In accordance with this strategy, investments are designated through the profit and loss because their performance is actively monitored and they are managed on a fair value basis.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will vary because of changes in market interest rates. The Company manages this by ensuring that its exposure to changes in interest rates is limited to on-call investments.

Capital management

The Company is a company limited by guarantee and therefore the Company is not subject to any externally imposed capital requirements.

Notes to the Financial Statements

For year ended 30 June 2020

		2020 $	2019 $
Note 2 (a)	**REVENUE AND INCOME**		
	Operating Activities		
	Subscriptions	4,487,277	4,395,340
	Research, Conferences and Briefings	5,086,592	7,389,905
		9,573,869	**11,785,245**
	Non-Operating Activities		
	Sundry Income	9,688	10,377
	Total Revenue and Income	**9,583,557**	**11,795,622**
Note 2 (b)	**FINANCE INCOME**		
	Interest Income	58,539	132,445
	Gains/(losses) on Investments	25,786	450,733
	Total Finance Income	**84,325**	**583,178**
Note 2 (c)	**OTHER INCOME**		
	Gains/(losses) on Sale of Fixed Assets	22,276	(323)
	Government Support Payments	522,500	-
	Non-Operating Income	69,959	106,000
	Total Other Income	**614,735**	**105,677**

Note 3 **SURPLUS / (DEFICIT) FROM ORDINARY ACTIVITIES**

Surplus / (Deficit) from Ordinary Activities has been determined after:

Expenses:

	2020 $	2019 $
Interest	135,738	-
Depreciation of Equipment	84,511	58,630
Depreciation of Right of Use Assets	655,123	-
Amortisation	274,597	89,670
Impairment Loss - Trade Receivables	6,192	2,952
Net (Gain)/Loss on Disposal Equipment	(22,276)	323
Minimum Lease Payments	-	775,889
Remuneration of the Auditors	27,585	26,518

The implementation of AASB 16 has shifted the recognition of expenses from Minimum Lease Payments in the comparative year to Depreciation of Right of Use assets and Interest in the current year. The comparative cashflow is Repayment of Lease Liabilities plus Interest Paid in current financial year and Payments to Suppliers & Employees in FY19.

Note 4 **CASH AND CASH EQUIVALENTS**

	2020 $	2019 $
Cash at Bank and in Hand	102,515	361,697
Short Term Bank Deposits	2,592,875	6,457,639
	2,695,390	**6,819,336**

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 13.

Notes to the Financial Statements

For year ended 30 June 2020

		2020	2019
		$	$
Note 5	**TRADE AND OTHER RECEIVABLES**		
	Trade Debtors	185,893	389,665
	Sundry Debtors	169,036	-
	GST Input Credits	48,350	210,717
	Provision for Impairment	(9,036)	(8,670)
		394,243	**591,712**

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.

The Company's trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and an allowance for credit losses of $6,811 (2019: $2,952) has been recorded accordingly within other expenses. The impaired trade receivables are mostly due from customers in the business-to-business market that are experiencing financial difficulties.

The movement in the allowance for credit losses can be reconciled as follows:

Reconciliation of allowance for credit losses

	2020	2019
Opening Balance at 1 July 2019	8,670	6,500
Amounts Written off (Uncollectable)	(6,445)	(782)
Impairment Loss	6,811	2,952
Balance at 30 June 2020	**9,036**	**8,670**

		2020	2019
Note 6	**FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS**		
	Furniture and Equipment At Cost	469,006	584,600
	Less: Accumulated Depreciation	(235,371)	(480,968)
	TOTAL FURNITURE AND EQUIPMENT	**233,635**	**103,632**
	Leasehold Improvements	948,315	1,434,912
	Less: Accumulated Depreciation	(252,844)	(995,955)
	TOTAL LEASEHOLD IMPROVEMENTS	**695,471**	**438,957**
	TOTAL FURNITURE EQUIPMENT AND LEASEHOLD IMPROVEMENT	**929,106**	**542,589**

Note 6(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.

	Equipment	Leasehold Improvement	TOTAL
	$	$	$
Balance at the beginning of the year	103,632	438,957	542,589
Additions	227,749	418,536	646,285
Assets disposed / scrapped	(13,235)	-	(13,235)
Depreciation and Amortisation Expense	(84,511)	(162,022)	(246,533)
Carrying amount as at 30 June 2020	**233,635**	**695,471**	**929,106**

Notes to the Financial Statements

For year ended 30 June 2020

		2020 $	2019 $
Note 7	INTANGIBLES		
	Software	627,105	462,919
	Less: Accumulated Amortisation	(418,125)	(317,130)
	TOTAL INTANGIBLES	**208,980**	**145,789**

Note 7(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	145,789
Additions	175,766
Assets disposed/scrapped	-
Amortisation expense	(112,575)
Carrying amount as at 30 June 2020	**208,980**

		2020 $	2019 $
Note 8	**TRADE AND OTHER PAYABLES**		
	Trade Payables	181,675	586,894
	Sundry Payables and Accrued Expenses	238,942	357,761
	GST Collected	110,306	336,243
		530,923	**1,280,898**
Note 9	**PROVISIONS**		
	Current	822,918	427,192
	Non Current	149,740	148,838
		972,658	**576,030**

	Employee Benefits $	Restructure $	Make Good Brisbane Lease $	Total $
Opening Balance at 1 July 2019	554,030	-	22,000	576,030
Additional Provisions	430,203	392,863	-	823,066
Amounts Used/Reversed	(426,438)	-	-	(426,438)
Balance at 30 June 2020	**557,795**	**392,863**	**22,000**	**972,658**

Restructure Provisions

The Company committed to restructure the workforce as a result of a deterioration in economic conditions, and a provision of $392,863 for committed restructuring costs was recognised, including employment termination benefits and outplacement services.

Notes to the Financial Statements

For year ended 30 June 2020

Note 9 **PROVISIONS (Continued)**

Make Good Provisions

A provision has been recognised for lease commitments to settle the make good obligations at the conclusion of the respective leases.

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 (d) to this report.

Note 10 **CONTRACT LIABILITIES**

	2020 $	2019 $
Contract Liability - Subscriptions	2,133,640	2,353,081
Contract Liability - Sponsorship & Conference	635,351	1,184,145
	2,768,991	**3,537,226**

Note 11 **LEASES**

Reconciliation of operating lease commitments to lease liabilities:

Lease commitments disclosed as at 30 June 2019	3,846,092
Discounted using the lessee's incremental borrowing rate at the date of initial application	3,119,567
Add/(less): adjustments relating to changes in the index or rate affecting variable payments	(404,800)
Lease liability recognised as at 1 July 2019	2,714,767
Of which are:	
Current lease liabilities	529,597
Non-current lease liabilities	2,185,170
	2,714,767

The balance sheet shows the following amounts relating to leases:

	30 June 2020 $	01 July 2019 $
Right of Use Assets		
Offices	1,999,704	2,633,668
Equipment	59,940	81,099
	2,059,644	**2,714,767**
Lease Liabilities		
Current	618,173	529,597
Non - Current	1,594,774	2,185,170
	2,212,947	**2,714,767**

No additional right of use assets has been added during the year.

Notes to the Financial Statements

For year ended 30 June 2020

Note 12 **OTHER FINANCIAL ASSETS**

	2020	2019
	$	$
Current		
Cash equivalents	968,074	477,546
GST and Imputation Credits Receivable	49,362	58,597
	1,017,436	**536,143**
Non Current		
Debt securities	6,140,139	4,844,960
Equity securities - Australian	1,523,541	1,534,839
Equity securities - International	1,303,850	1,043,239
	8,967,530	**7,423,038**
	9,984,966	**7,959,181**

Note 13 **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:

	2020	2019
Cash at Bank and in Hand	102,515	361,697
Short Term Bank Deposits	2,592,875	6,457,639
	2,695,390	**6,819,336**

The Company has bank guarantees in favour of the lessors of its commercial premises totaling $513,640 (2019: $715,316). The Company has restricted cash matching the above guarantees secured by its bankers to cover these obligations.

b) Reconciliation of Cash Flows from Operations to Surplus / (Deficit) from Ordinary Activities

	2020	2019
Surplus / (Deficit) from Ordinary Activities	(934,729)	1,214,665
Non - Cash Flows from Ordinary Activities		
Depreciation And amortisation	1,014,231	148,300
Net Loss/(Gains) on Disposal of Fixed Assets	(22,275)	323
Net Loss/(Gains) on Investments	(25,787)	(450,733)
Changes in Assets and Liabilities:		
Decrease / (Increase) in Trade and Other Receivables	197,470	(3,692)
Decrease / (Increase) in Prepayments	57,086	105,424
Increase / (Decrease) in Trade and Other Payables	(749,975)	175,435
Increase / (Decrease) in Contract Liabilities	(768,235)	134,388
Increase / (Decrease) in Provisions	396,628	(184,385)
CASH FLOWS FROM OPERATIONS	**(835,586)**	**1,139,725**

The increase in Depreciation and Amortisation is due to the adoption of AASB 16. The comparative cashflow is payments to employees and suppliers in FY19

Notes to the Financial Statements

For year ended 30 June 2020

Note 14 **KEY MANAGEMENT PERSONNEL REMUNERATION**

The names and positions held of the key management personnel in office at any time during the financial year are:

Key Management Person	Position
Melinda Cilento	Chief Executive Officer
Jarrod Ball	Chief Economist
Richard Bowen	Chief Operations Officer and Company Secretary (ceased 16 January 2020)
Hamilton Calder	State Director – SA/NT and Company Secretary (Company Secretary responsibilities commenced 17 January 2020)
Michael Camilleri	State Director – VIC/TAS (ceased 16 August 2019)
Belinda Gleeson	Director, People and Culture
Lee Kelly [1]	State Director – NSW/ACT
Fleur Morales	State Director – VIC/TAS (commenced 3 September 2019)
Kyl Murphy [1]	State Director – QLD
Mel Nelson	Director, Membership (commenced 2 September 2019)
Roxanne Punton	Director, External Affairs
Paula Rogers [1]	State Director – WA
Sharon Smyth	Chief Operations Officer (commenced 27 April 2020)

The remuneration of the Company has been designed to align the objectives and reward of key management personnel (KMP) with the Company's business objectives. The majority of KMP receive remuneration that is a combination of a fixed remuneration component and a short-term incentive (STI) opportunity. One member of KMP receives fixed remuneration only.

Remuneration arrangements are designed to attract and retain employees with the skills and experience required to support the Company's sustained performance and achievement of its strategic priorities. Fixed remuneration is determined based on the requirements of the role, market conditions and the skills and experience of the employee. STI payments are determined based on performance against a range of financial and non-financial metrics determined annually by the board with the support of the People and Governance Committee, to align with the Company's strategic priorities.

KMP receive a superannuation guarantee contribution as required by law, which currently is 9.5 per cent. They do not receive any other retirement benefits.

All remuneration paid to KMP is valued at the cost to the Company and expensed. Under the Company's constitution, directors (other than executive staff) do not receive remuneration.

Refer below for an outline of key management personnel remuneration:

	2020 $	2019 $
Short-term employee benefits	1,970,458	2,160,857
Post-employment benefits	194,508	193,543
Other long-term benefits	156,820	167,791
Termination benefits	268,677	-
Total remuneration	**2,590,463**	**2,522,191**

[1] Key Management Personnel departed 8 July 2020, included in the termination benefits (and FY20 restructuring provision), in addition to other Key Management Personnel departing in the financial year.

Notes to the Financial Statements

For year ended 30 June 2020

Note 15 **General Reserves**

A General Reserves account has been established in the year to support the Company to consistently achieve its strategic objectives and to ensure its ongoing sustainability. The fund is to be used to pursue CEDA's strategic aims or to address the impact of unexpected events, loss of income or large unbudgeted strategic expenses, with such use to be approved by the Board.

Note 16 **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 17 **COMPANY DETAILS**

The registered office of the company is:
CEDA
Level 3
271 Spring Street
MELBOURNE VIC 3000

The principal place of business is:
CEDA
Level 3
271 Spring Street
MELBOURNE VIC 3000

The Company's principal activities are as shown in the Directors' Report.

Note 18 **MEMBERS' GUARANTEE**

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $500 each towards meeting any outstanding obligations of the Company. At 30 June 2020 the number of members was 687 (2019: 770).

Note 19 **EVENTS AFTER THE BALANCE DATE**

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout Australia. The spread of COVID-19 has caused significant volatility in Australian, and international markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19.

Directors' Declaration

1) The directors of the company declare that the financial statements and notes, as set out on pages 6 to 25 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 2020 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.

Signed on 1 September 2020 in accordance with a Resolution of the Board of Directors.

DIRECTOR.

Diane Smith-Gander AO
Chairman

Collins Square, Tower 5
727 Collins Street
Melbourne VIC 3008

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Auditor's Independence Declaration

To the Members 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 2020, 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

Grant Thornton Audit Pty Ltd
Chartered Accountants

Darren Scammell

Darren Scammell
Partner – Audit & Assurance

Melbourne, 1 September 2020

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Independent Auditor's Report

To the Members of Committee of Economic Development Australia

Report on the audit of the financial report

Opinion

We have audited the financial report of Committee of Economic Development Australia (the Company), which comprises the statement of financial position as at 30 June 2020, 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 notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of Committee of Economic Development Australia has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

a giving a true and fair view of the Company's financial position as at 30 June 2020 and of its performance and cash flows for the year then ended; and

b complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Grant Thornton

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's Directors' report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the financial report

The Directors are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commissions Act 2012. This responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

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

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdfn. This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

Darren Scammell

Darren Scammell
Partner – Audit & Assurance

Melbourne, 1 September 2020