

**AUSTRALIAN INSTITUTE OF
INTERNATIONAL AFFAIRS VICTORIA
LIMITED
ACN 004 560 829**

**Annual Financial Report For The Year Ended
30 June 2020**

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

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AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2020.

Directors

The following is a list of attendances at Director's meetings. The number of meetings that each Director was eligible to attend varies due to some Directors being appointed during the year and others retiring from office during the year.

| | Number of Meetings Eligible to Attend | Attended |
|---|--|-----------------|
| Prof. Emerita Joan Beaumont AM FASSA FAIA | 2 | 2 |
| Ms Robyn Byrne OAM | 6 | 5 |
| Mr James Carey | 6 | 5 |
| Mr Christopher Cicutto | 6 | 5 |
| Ms Jean Dunn PSM | 2 | 2 |
| Mr Warren Evans | 3 | 3 |
| My Benjamin Freeman | 4 | 4 |
| The Hon. David Harper AM | 6 | 6 |
| Mr Richard Iron | 6 | 6 |
| Ms Kelly Macdonald | 6 | 6 |
| Mr Will McEniry | 6 | 6 |
| Mr D Patrick Moore | 6 | 6 |
| Ms Catherine Pickett | 3 | 3 |
| Mr Alastair Roff | 6 | 6 |
| Mr Mitchell Vanderwerdt-Holdman | 5 | 5 |
| Mr John Richardson | 4 | 4 |
| Dr Kay Stevens | 2 | 2 |
| Prof. John Webb OAM | 2 | 2 |
| Mr John Woods | 6 | 5 |

DIRECTORS' REPORT

Operating Result

The company generated a profit for the financial year ended 30 June 2020 amounting to \$10,317 (2019: \$7,878).

Review of Operations

A review of the operations of the company during the financial year and the results of those operations are as follows:

The Institute recorded a profit of \$10,317 for the year ended 30 June 2020 compared with a profit of \$7,878 in the previous year, despite the COVID-19 pandemic and the impact on our operating activities. All membership activities of the Institute (Memberships, Functions and Events, and Study Tours) saw strong financial performance. Our members and friends of the Institute contributed significantly to the results through their generous donations. The government support packages have also assisted in maintaining the financial performance of the Institute in the later part of the financial year. This has provided relief from the impact of revenue reduction as result of restrictions, and supported our costs of remaining open. The forecast for the 2021 financial year is a small profit. Unfortunately a number of the activities that the Institute would ordinarily undertake are not anticipated to occur in the 2021 financial year, but the expected Government assistance will mitigate the financial impact. The ongoing pandemic creates significant uncertainty, and the Executive and the Council members have committed to undertaking strict monitoring of the financial performance against the forecast in the coming year to ensure the Institute remains in a positive financial position.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

Principal Activities

The principal activities of the company during the course of the year were the study of international affairs and the organisation of conferences and seminars. There has been no significant change in the nature of these activities during the year.

After Balance Date Events

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

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.

Future Developments

At the date of signing this report there are no unforeseen developments or other future developments in the operations of the company that have not been included in this report that would prejudice its ability to operate at its current level of performance or require disclosure to stakeholders.

DIRECTORS' REPORT

Environmental Issues

The operation of the company is not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory and accordingly no environmental disclosure is required.

Directors' Interests in Shares of the Company or Related Bodies Corporate

The particulars of shares held by the directors of the company in the company or in related bodies corporate which are required to be declared in the register of directors' share holdings are as follows:

- No director has an interest to declare.

Directors' Benefits

No other director has received or has become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm in which a director is a member, or an entity in which a director has a substantial financial interest.

Indemnification of Officer or Assurance Practitioner

During the financial year, the company paid a premium in respect of a contract ensuring the directors of the company, the company secretary and all executive officers of the company, and any related body corporate against a liability incurred by such a director, secretary, or executive officer permitted by the Corporations Act 2001.

Proceedings on Behalf of the Company

No person has applied for leave of the Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors:



Mr. Patrick Moore
President



Mr. Christopher Cicutto
Treasurer

Date: 14 September 2020

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

| | Note | 2020 \$ | 2019 \$ |
|--|------|----------------|----------------|
| INCOME | | | |
| Membership Activities | | | |
| Members' subscriptions | | 48,213 | 51,547 |
| Functions' admission fees | | 92,981 | 86,262 |
| Study tours | | 15,040 | 22,236 |
| | | <u>156,234</u> | <u>160,044</u> |
| Other Activities | | | |
| Rental income | | 40,180 | 44,992 |
| Donations, grants and bequests | | 48,044 | 48,127 |
| Interest | | 2,040 | 1,734 |
| Other | | - | - |
| | | <u>90,263</u> | <u>94,854</u> |
| Total Income | 2 | <u>246,498</u> | <u>254,898</u> |
| EXPENSES | | | |
| Capitation fees | | 1,503 | 1,437 |
| Functions' expenditure | | 50,158 | 46,567 |
| Employment | | 143,553 | 126,474 |
| Communications | | 4,598 | 4,212 |
| Property expenses | | 14,776 | 41,433 |
| Depreciation | | 3,203 | 4,010 |
| Other | | 18,390 | 22,887 |
| Total Expenses | | <u>236,180</u> | <u>247,020</u> |
| Profit/(Loss) before income tax | | 10,317 | 7,878 |
| Income tax expense | | - | - |
| Profit/(Loss) after income tax | | <u>10,317</u> | <u>7,878</u> |

The accompanying notes form part of these statements.

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

BALANCE SHEET
AS AT 30 JUNE 2020

| | Note | 2020 \$ | 2019 \$ |
|-------------------------------------|------|------------|------------|
| CURRENT ASSETS | | | |
| Cash and cash equivalents | 3 | 231,195 | 187,712 |
| Other assets | 4 | 1,080 | 17,137 |
| TOTAL CURRENT ASSETS | | 232,275 | 204,850 |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 5 | 3,305,734 | 3,305,594 |
| TOTAL NON-CURRENT ASSETS | | 3,305,734 | 3,305,594 |
| TOTAL ASSETS | | 3,538,009 | 3,510,444 |
| CURRENT LIABILITIES | | | |
| Trade payables | 6 | 5,813 | 2,586 |
| Provision for employee entitlements | 7 | 23,474 | 17,226 |
| Other | 7 | 17,079 | 9,306 |
| TOTAL CURRENT LIABILITIES | | 46,366 | 29,118 |
| TOTAL LIABILITIES | | 46,366 | 29,118 |
| NET ASSETS | | 3,491,643 | 3,481,326 |
| EQUITY | | | |
| Reserves | 8 | 53,905 | 53,905 |
| Revaluation reserve | 9 | 3,224,338 | 3,224,338 |
| Retained earnings | 10 | 213,400 | 203,083 |
| TOTAL EQUITY | | 3,491,643 | 3,481,326 |

The accompanying notes form part of these financial statements.

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

STATEMENT OF RECOGNISED INCOME AND EXPENDITURE
FOR THE YEAR ENDED 30 JUNE 2020

| | Note | 2020 \$ | 2019 \$ |
|--|------|---------------|--------------|
| Profit / (Loss) for the year | | 10,317 | 7,878 |
| Income and expenses recognised directly in equity | | - | - |
| Total amount recognised in the statement of recognised income and expenditure | | <u>10,317</u> | <u>7,878</u> |

The accompanying notes form part of these financial statements.

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

CASH FLOWS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

| | Note | 2020 \$ | 2019 \$ |
|---|------|-----------------------|-----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Operating inflows | | 256,910 | 251,181 |
| General administration expenses | | (212,125) | (243,373) |
| Interest received | | 2,040 | 1,734 |
| Net cash provided by/(used in) operating activities | (ii) | <u>46,824</u> | <u>9,543</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | | <u>(3,343)</u> | <u>(1,466)</u> |
| Net cash provided by/(used in) investing activities | | <u>(3,343)</u> | <u>(1,466)</u> |
| BENEFITS ACCRUED AS A RESULT OF OPERATIONS | | | |
| Cash at beginning of financial year | | <u>187,712</u> | <u>179,636</u> |
| Cash at end of financial year | (i) | <u><u>231,194</u></u> | <u><u>187,712</u></u> |

The accompanying notes form part of these financial statements.

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

CASH FLOWS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

| | Note | 2020 | 2019 |
|---|------|---------|---------|
| | | \$ | \$ |
| Note (i). Reconciliation of Cash | | | |
| Cash at the end of the year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows: | | | |
| Bendigo Bank Term Deposit | | 92,838 | 90,945 |
| Bendigo Bank Operating Account | | 138,337 | 96,748 |
| Cash on hand | | 20 | 20 |
| | | 231,194 | 187,712 |

Note (ii). Reconciliation of Net Operating Profit to Net Cash from Operating Activities

| | | |
|---|--------|---------|
| Profit/(Loss) for the year | 10,317 | 7,878 |
| Depreciation | 3,203 | 4,010 |
| (Increase) decrease in receivables and other assets | 16,057 | (2,451) |
| Increase (decrease) in trade payables | 3,227 | (1,314) |
| Increase (decrease) in other current liabilities | 7,773 | 7,252 |
| Increase (decrease) in provisions | 6,248 | 3,215 |
| Increase (decrease) reserve (building works) | - | (9,047) |
| Net cash from operating activities | 46,824 | 9,543 |

Non-Cash Financing Activities

(a) There were no non-cash financing and investing activities during the financial year ended 30 June 2020 (2019: \$Nil).

(b) The company has no credit standby arrangement and loan facilities during the financial year ended 30 June 2020 (2019: \$Nil).

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

INTRODUCTION

The financial report covers the Australian Institute of International Affairs Victoria Limited as an individual company. Australian Institute of International Affairs Victoria Limited is a company limited by guarantee, incorporated and domiciled in Australia.

The principal activities of the company during the course of the year were the study of international affairs and the organisation of conferences and seminars.

The financial report was authorised for issue by the Board of Directors of Australian Institute of International Affairs Victoria Limited at a Directors meeting on the date shown on the Declaration by the Board of Directors attached to the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

These financial statements are special purpose financial statements that have been prepared in order to meet the financial report preparation requirements of the Corporations Act 2001. The directors have determined that the company is not a reporting entity.

The report has been prepared in accordance with the requirements of the Corporations Act 2001, and the following applicable Australian Accounting Standards and Australian Accounting Interpretations:

AASB 101 - Presentation of Financial Statements
AASB 107 - Statement of Cashflows
AASB 1031 - Materiality

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Corporations Act 2001 and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The financial report is presented in Australian dollars and amounts are rounded to nearest dollar.

The financial statements have been prepared on a going concern basis, which assumes the realisation of assets and the extinguishment of liabilities in the normal course of business and at the amounts stated in the financial report.

(b) Statement of compliance

Accounting Standards include Australian equivalents to International Financial Reporting Standards ("AIFRS"). A statement of compliance with International Financial Reporting Standards cannot be made as the company is considered to be a Not-for-Profit entity and has prepared the financial statements in accordance with the requirements regarding Not-for-Profit entities as contained in Australian Accounting Standards.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Economic Dependence

The Australian Institute of International Affairs Victoria Limited is dependent upon the ongoing receipt of grants and community, corporate and member donations to ensure the ongoing continuance of its programs. At the date of this report management has no reason to believe that this financial support will not continue.

(d) 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 internally.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

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.

(e) Income tax

Australian Institute of International Affairs has been endorsed by the Australian Taxation Office for access to tax concessions in respect of an exemption from taxation on the net income of the company (Division 50 ITAA1997) The company pays and collects Goods and Services Tax. No Fringe Benefits are paid to employees or Directors.

(f) Revenue

Membership subscriptions

Memberships subscriptions are recognised on a cash received basis. This policy was introduced in order to simplify the administration process and free limited personnel resources for operational matters, and simply to record membership subscriptions when they are received. Members are sent renewal notices on or about the anniversary of their joining the Institute.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest Revenue

Interest revenue is recognised on a cash received basis.

Rental Income

Rental income is recognised on a cash received basis. The Australian Institute of International Affairs Victoria Limited has a secure tenant which will provide rental income for the coming years.

Study Tours

The study tour income recognises the profits derived from the 2019 study tour to Taiwan. Receipts or payments in connection with any future study tour are reported in the current year's result. Should there be any expenses or reimbursements not yet tabled, they will be accounted for in the 2021 financial year. There is no known impact of this at the current reporting date.

Grants

A number of the Australian Institute of International Affairs of Victoria Limited's programs are supported by grants received throughout the course of the year.

If conditions are attached to a grant, which must be satisfied before the grant is eligible to be received as a contribution, then the recognition of the grant as revenue is deferred until those conditions are satisfied. Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed.

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the Institute obtains control of the funds, economic benefits are probable and the amount can be measured reliably.

Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Donations and bequests

Donations collected, including cash and goods for resale, are recognised as revenue when the Australian Institute of International Affairs Victoria Limited gains control, economic benefits are probable and the amount of the donation can be measured reliably.

Bequests are recognised when the legacy is received. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property at the date the shares or property legally become those of the Australian Institute of International Affairs Victoria Limited.

The Institute did not receive any bequests during the 2020 financial year.

Conferences and functions

Conferences and functions are recognised as income on a cash basis from the sale and receipt of ticket income to the various events held by the Australian Institute of International Affairs Victoria Limited.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of twelve months or less. For the purposes of the Cash Flow Statements, cash and cash equivalents consist of cash and cash equivalents as defined above.

(h) Stock of promotional material

Expenditure on promotional material held as gifts for speakers has been treated as an operating cost of the Institute, rather than carried as an asset.

(i) Property, plant and equipment

Carrying Value

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Freehold land and buildings are carried at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic, but at least triennial, valuations, less accumulated depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are recognised against the revaluation reserve directly in equity; all other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount related to the revalued amount of the asset.

Depreciation

The depreciable amount of all fixed assets including buildings, but excluding freehold land, is depreciated using the diminishing value method over their useful lives to the Australian Institute of International Affairs Victoria Limited commencing from the time the asset is held ready for use. The depreciable amount is the cost of the asset.

The depreciation rates used for each class of depreciable assets are:

| <u>Class of Asset</u> | <u>Depreciation Rate</u> |
|------------------------------|--------------------------|
| Building | 3.33% |
| Building Improvements | 20% |
| Computer Equipment | 37.5% |
| Office Furniture & Equipment | 15%, 22.5% & 30% |
| Website | 80% |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Balance Sheet date. An asset carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Property, plant and equipment - continued

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. Impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

Impairment losses are recognised in the income statement.

Disposals

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on disposal of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year of the asset disposal.

Revaluations

Both land and buildings have been revalued this financial year. The revaluation of these assets are credited directly to the asset revaluation reserve. They have previously been revalued using the 2018 Capital Improved Values (CIV) provided by the Council.

(j) Employee benefits

The provision for employee entitlements to wages, salaries, annual leave and long service leave represents the amount which the company has a present obligation to pay resulting from employee services provided up to the balance date. The provisions other than for long service leave have been calculated at undiscounted amounts based on current wage and salary rates and include related on-costs.

(k) Superannuation

Contributions to employee superannuation funds are charged against income as they are made. The employer contributions are paid to approved superannuation schemes.

(l) Trade and other payables

Trade and other payables are recognised when the company became obliged to make future payments resulting from the purchase of goods and services.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST) except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense, or
- (ii) for receivables and payables which are recognised inclusive of GST, the net amount of GST recoverable from, or payable to the taxation authority is included as part of receivables or payables in the Balance Sheet. Receivables and payables are stated with the amount of GST included.

Cash flows are included in the Cash Flow Statements on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

(n) Comparative Figures

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

(o) Limitation of liability and rights of members

The company is a public company limited by guarantee. Each member of the company undertakes to contribute, if required, an amount not exceeding \$20 in the event of the company being wound up. At 30 June 2020 the number of members was 461 (2019: 519 members).

At meetings of members each member entitled to vote may vote in person or by proxy or by attorney and on a poll every person present or by proxy or by attorney or other duly authorised representative shall have one (1) vote. No member shall be entitled to vote at any general meeting unless the annual subscription for the current year has been paid.

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

| | 2020 | 2019 |
|---------------------------------|----------------|----------------|
| | \$ | \$ |
| NOTE 2 - REVENUE | | |
| Operating Activities | | |
| Members' subscriptions | 48,213 | 51,547 |
| Functions' admission fees | 92,981 | 86,262 |
| Study tours | 15,040 | 22,236 |
| Rental income | 40,180 | 44,992 |
| Donations, grants and bequests | 48,044 | 48,127 |
| Interest received (a) | 2,040 | 1,734 |
| | 246,498 | 254,898 |
| 2 (a) Interest from: | | |
| Bendigo Bank - Cash Account | 133 | 722 |
| Bendigo Bank - Term Deposit | 1,892 | 1,013 |
| | 2,025 | 1,734 |
| NOTE 3 - CASH | | |
| Cash on hand | 20 | 20 |
| Cash at bank | 138,337 | 96,748 |
| Cash at bank - (Term) | 92,838 | 90,945 |
| | 231,195 | 187,712 |
| NOTE 4 - OTHER ASSETS | | |
| Trade receivables (a) | - | 2,219 |
| Other receivables | 1,080 | 3,540 |
| Prepayments | - | 11,379 |
| | 1,080 | 17,137 |
| 4 (a) Trade receivables: | | |
| Trade receivables | - | 3,538 |
| (Less) Provision for bad debt | - | (1,319) |
| | - | 2,219 |

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

| | 2020 | 2019 |
|---|------------------------|------------------|
| | \$ | \$ |
| NOTE 5 - PROPERTY, PLANT & EQUIPMENT | | |
| Freehold Land: | | |
| At valuation | 5 (a) <u>2,061,000</u> | <u>2,061,000</u> |
| Building: | | |
| At valuation | 1,259,270 | 1,259,270 |
| Accumulated depreciation | <u>(26,333)</u> | <u>(25,271)</u> |
| Written down value | 5 (a) <u>1,232,938</u> | <u>1,234,000</u> |
| Computer Equipment: | | |
| At cost | 6,785 | 5,677 |
| Accumulated depreciation | <u>(5,012)</u> | <u>(4,502)</u> |
| Written down value | 5 (a) <u>1,773</u> | <u>1,175</u> |
| Office Furniture and Equipment: | | |
| At cost | 112,110 | 109,875 |
| Accumulated depreciation | <u>(102,087)</u> | <u>(100,457)</u> |
| Written down value | 5 (a) <u>10,023</u> | <u>9,418</u> |
| Website: | | |
| At cost | 2,997 | 2,997 |
| Accumulated depreciation | <u>(2,997)</u> | <u>(2,996)</u> |
| Written down value | 5 (a) <u>-</u> | <u>1</u> |
| Total property, plant and equipment | <u>3,305,734</u> | <u>3,305,594</u> |

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

| | Freehold Land | Building | Computer Equipment | Office Furniture & Equipment | Website | Total |
|-------------------------|------------------|------------------|-----------------------|------------------------------------|----------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 1 July 2019 | 2,061,000 | 1,234,000 | 1,175 | 9,418 | 1 | 3,305,594 |
| Additions | - | - | 1,108 | 2,235 | - | 3,343 |
| Disposals | - | - | - | - | - | - |
| Depreciation expense | - | (1,062) | (510) | (1,630) | (1) | (3,203) |
| Balance at 30 June 2020 | <u>2,061,000</u> | <u>1,232,938</u> | <u>1,773</u> | <u>10,023</u> | <u>0</u> | <u>3,305,734</u> |
| Balance at 1 July 2018 | 2,061,000 | 1,234,000 | 785 | 11,166 | 4 | 3,306,954 |
| Additions | - | 1,184 | 1,466 | - | - | 2,650 |
| Disposals | - | - | (311) | - | - | (311) |
| Depreciation expense | - | (1,184) | (765) | (1,749) | (3) | (3,700) |
| Balance at 30 June 2019 | <u>2,061,000</u> | <u>1,234,000</u> | <u>1,175</u> | <u>9,418</u> | <u>1</u> | <u>3,305,594</u> |

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

| | 2020 | 2019 |
|-------------------------------------|-------------------------|-------------------------|
| | \$ | \$ |
| NOTE 6 - TRADE PAYABLES | | |
| Trade and other payables | 93 | 86 |
| Accruals | <u>5,720</u> | <u>2,500</u> |
| | <u><u>5,813</u></u> | <u><u>2,586</u></u> |
| NOTE 7 - OTHER | | |
| Employee entitlements | <u>23,474</u> | <u>17,226</u> |
| Deferred income | 15,323 | 9,100 |
| GST | <u>1,757</u> | <u>206</u> |
| | <u><u>17,079</u></u> | <u><u>9,306</u></u> |
| NOTE 8 - RESERVES | | |
| Capital reserve | 42,428 | 42,428 |
| Dyason House maintenance fund | 9,032 | 9,032 |
| John Legge library fund | <u>2,445</u> | <u>2,445</u> |
| | <u><u>53,905</u></u> | <u><u>53,905</u></u> |
| NOTE 9 - REVALUATION RESERVE | | |
| Asset revaluation reserve | <u><u>3,224,338</u></u> | <u><u>3,224,338</u></u> |
| NOTE 10 - RETAINED EARNINGS | | |
| Opening balance | 203,083 | 195,205 |
| Profit / (Loss) for the year | <u>10,317</u> | <u>7,878</u> |
| | <u><u>213,400</u></u> | <u><u>203,083</u></u> |

NOTE 11 - RELATED PARTIES

There are no related parties or related party transactions.

At 30 June 2020, there were no other transactions with parties related to key management personnel (2019: \$Nil).

NOTE 12 - CONTINGENT LIABILITIES

The company has no contingent liabilities as at 30 June 2020 (2019: \$Nil).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 13 - FINANCIAL INSTRUMENTS

a) Financial risk management

The company's principal financial instruments comprise receivables, payables, cash and short-term deposits. These activities expose the company to a variety of financial risks: market risk (interest rate risk), credit risk and liquidity risk.

Although the company does not have documented policies and procedures, the Directors manage the different types of risks to which the company is exposed by considering risk and monitoring levels of exposure to interest rate and by being aware of market forecasts for interest rate. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through general business budgets and forecasts.

b) Market risk

There has been no change to the company's exposure to market risks or the manner in which it manages and measures the risks from the previous year.

(i) Interest rate risk on cash deposits

The company's exposure to market interest rates relates primarily to the company's short term cash deposits held.

(ii) Foreign currency risk

The company is not exposed to fluctuations in foreign currencies.

(iii) Liquidity risk

The company manages liquidity risk by monitoring forecast cash flows.

Financing arrangements

The company does not have access to any borrowing facilities at the reporting date.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities.

| | Maturing Within Year | Maturing 1 to 5 Years | Total |
|------------------------------------|---------------------------------|----------------------------------|--------------|
| | \$ | \$ | \$ |
| 2020 | | | |
| Financial Liabilities | | | |
| Trade and other payables | 5,813 | - | 5,813 |
| Total Financial Liabilities | 5,813 | - | 5,813 |
| 2019 | | | |
| Financial Liabilities | | | |
| Trade and other payables | 2,586 | - | 5,034 |
| Total Financial Liabilities | 2,586 | - | 2,586 |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

NOTE 13 - FINANCIAL INSTRUMENTS (Continued)

iv) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables, net of any allowance for doubtful debts, as disclosed in the balance sheet and notes to the financial statements.

The company trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the company's policy to securitize its trade and other receivables. It is the company's policy to consider the credit worthiness of all customers who wish to trade on credit terms.

In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant. There are no significant concentrations of credit risk.

v) Price risk

The company is not exposed to any material commodity price risk.

c) Net fair values

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their net fair values.

NOTE 14 – SUBSEQUENT EVENTS

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

NOTE 15 – COMPANY DETAILS

The registered office of the company is:

Dyason House
124 Jolimont Road
East Melbourne Victoria 3002

The principal place of business is:

Dyason House
124 Jolimont Road
East Melbourne Victoria 3002

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA LIMITED
ACN 004 560 829

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2020

The directors of the company declare that:

1. The attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including:
 - a) Comply with Australian Accounting Standards and the Corporations Regulations 2001; and
 - b) Give a true and fair view of the financial position as at 30 June 2020 and performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Mr. Patrick Moore
President



Mr. Christopher Cicutto
Treasurer

Date: 14 September 2020

***Independent audit report to the members of
the Australian Institute of International Affairs Victoria Limited***

Report on the financial report

We have reviewed the accompanying annual financial report of the Australian Institute of International Affairs Victoria Limited, which comprises the Balance Sheet as at 30 June 2020, the Income Statement and the Statement of Recognised Income and Expenditure for the year then ended, the Cash Flows Statement for the year then ended and Notes to the Financial Statements comprising a summary of significant accounting policies and other explanatory information and the Directors' Declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the annual financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 to the extent noted in Note 1 and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415 *Review of a Financial Report – Company Limited by Guarantee*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the company's financial position as at 30 June 2020 and its performance for the year ended on that date; and complying with the Australian Accounting Standards and Corporations Regulations 2001. ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Australian Institute of International Affairs Victoria Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the Australian Institute of International Affairs Victoria Limited is not in accordance with the Corporations Act 2001 including:

- a) giving a true and fair view of the company's financial position as at 30 June 2020 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards to the extent noted in note 1 and Corporations Regulations 2001.

Basis of accounting

Without modifying our conclusion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' reporting responsibilities. As a result, the financial report may not be suitable for another purpose.



Noel May
Fellow of the Institute of Chartered Accountants
14th September 2020

14th September 2020

The Secretary
Australian Institute of International Affairs Victoria Limited
124 Jolimont Road
East Melbourne Vic 3002

Dear Sir/ Madam,

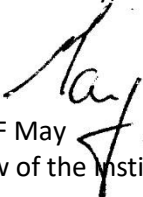
Auditor's independence declaration (s. 307 of the Corporations Act 2001)

We have reviewed the financial statements of the Australian Institute of International Affairs Victoria Limited for the financial period ended on 30 June 2020.

As lead engagement partner for the review engagement, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the independence requirements of the Corporations Act 2001 in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

Yours faithfully,


Noel F May
Fellow of the Institute of Chartered Accountants