

The Institute of Foresters of Australia

ABN: 48 083 197 586

Financial Report

For the Year Ended 30 June 2014

The Institute of Foresters of Australia

(ABN: 48 083 197 586)

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The Institute of Foresters of Australia

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Directors' Report

30 June 2014

Your directors submit the financial report of the entity for the financial year ended 30 June 2014.

Directors

The names and details of the directors in office at any time during the year and to the date of this report are:

Names

Andrew	De Fégely	6/03/2012	
Michael	Ryan	18/10/2008	Resigned 29/08/2013
John	Clarke	29/07/2011	
Aidan	Flanagan	26/08/2011	
Stuart	Davey	1/09/2011	
Braden	Jenkin	17/09/2011	
Michelle	Freeman	22/05/2012	
Ross	Peacock	24/08/2012	
Jim	O'Hehir	20/09/2012	
Stephen	Walker	29/01/2013	
Gary	Featherston	1/09/2013	

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

Company Secretary

Alison Carmichael, GAICD

Principal Activities

The principal activity of entity during the financial year was to advance the profession of forestry.

Objectives

The high level objectives were to maintain high professional standards, promote networking between members and to promote the Institute both in Australia and overseas.

Strategies

To achieve these objectives, the entity has adopted the following strategies:

- Have input into National and State policy development through submissions and Institute policy positions
- Monitor education programs
- Offer scholarships to encourage youth in Forestry
- Confer awards and grants to recognise excellence
- Distribute material explaining and promoting Forestry
- Conduct and promote meetings, seminars and other events for both networking and learning outcomes at National, State and Regional level
- Distribute communiques such as quarterly newsletter and weekly email bulletins
- Provide online forums for member discussion
- Produce a fully refereed quarterly journal
- Provide certification programs for professionals with corresponding code of ethics
- Engage with a range of other organisations, both in Australia and overseas

The Institute of Foresters of Australia

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Key Performance Measures

Key results are measured quantitatively by membership numbers and financial position and qualitatively through monitoring feedback.

Operating Results

The deficit of the entity for the financial year amounted to \$51,924 (2013: Surplus of \$14,893).

Forestry Scholarship Fund

The entity established a trust called the Forestry Scholarship Fund 'the Fund' on the 4th April 2008 for the purpose of establishing scholarships for the study of forestry. The fund will from time to time provide scholarships to Australian students to assist in their studies of Forestry and Forestry related subjects at an Australian University and provide monies to Australian Universities for the purpose of assisting students in the study of Forestry and Forestry related subjects.

Dividends Paid or Recommended

In accordance with the Articles of Association, the company is a company limited by guarantee to the extent of \$10.00 per member, and accordingly no shares or debentures have been issued and no dividends have been recommended or paid since the start of the financial year.

Significant changes in state of affairs

The Institute conducted two professional development events, one on Forest Valuation held in Melbourne in November 13 and a three day symposium on improving plantation productivity in Mt Gambier in May 2014.

The Institute also contracted with Forestworks to produce a series of learning resources at AQF Level 5 and 6.

The Institute will continue such activities to diversity income, moving away from reliance on membership subscriptions.

From February 2014 the Board began to meet monthly instead of quarterly.

The introduction of Memnet membership database and Securepay has substantially changed the way we do business. We have been able to validate member data, resulting in a drop in member numbers. We now receive event and subscription payments through the website interface. Subscription invoices for the 2014/2015 year were issued directly from the database and pre-payments made to IFA through the same portal.

After balance sheet date

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

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Information on Directors

Michael Ryan
Qualifications
Experience

Director
Forester
Appointed 18 October 2008
Resigned 29 August 2013

John Clarke
Qualifications
Experience

Director
Forester
Appointed 27 July 2011

Aidan Flanagan
Qualifications
Experience

Director
Forester
Appointed 26 August 2011

Stuart Davey
Qualifications
Experience

Director
Forester
Appointed 1 September 2011

Braden Jenkin
Qualifications
Experience

Director
Forester
Appointed 17 September 2011

Rob de Fégely
Qualifications
Experience

President/Director
Forester
Appointed 6 March 2012

Michelle Freeman
Qualifications
Experience

Director
Forester
Appointed 22 May 2012

Ross Peacock
Qualifications
Experience

Director
Forester
Appointed 24 August 2012

Jim O'Hehir
Qualifications
Experience

Director
Forester
Appointed 20 September 2012

Stephen Walker
Qualifications
Experience

Director
Forester
Appointed 29 January 2013

Gary Featherston
Qualifications
Experience

Director
Forester
Appointed 1 September 2013

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Meeting of Directors

During the financial year, 9 meetings of directors were held. Attendances by each director were as follows:

	No eligible to attend	No attended
Robert de Fégely	9	7
Michael Ryan	2	2
John Clarke	9	9
Aidan Flanagan	9	6
Stuart Davey	9	9
Braden Jenkin	9	8
Michelle Freeman	9	8
Ross Peacock	9	7
Jim O'Hehir	9	9
Stephen Walker	9	7
Gary Featherston	7	5

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 towards meeting any outstanding obligations of the entity.

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the entity.

Proceedings on behalf of company

No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any part of those proceedings.

The entity was not a party to any such proceedings during the year.

Auditor's independence declaration

The lead auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is on page 7 of this report.

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

Director: 

Dated: 15/10/14

RSM Bird Cameron Partners
Level 1, 103-105 Northbourne Avenue Canberra ACT 2601
GPO Box 200 Canberra ACT 2601
T +61 2 6247 5988 F +61 2 6262 8633
www.rsmi.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of The Institute of Foresters of Australia for the year ended 30 June 2014, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners

RSM Bird Cameron Partners

G M Stenhouse

G M STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 21 OCTOBER 2014

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Statement of Comprehensive Income

For The Year Ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue	2	438,431	494,281
Employee benefits expense	3	(228,239)	(208,466)
Depreciation and amortisation expense	3	(1,042)	(467)
Audit, legal and consultancy fees		(11,628)	(12,658)
Administrative expenses		(22,571)	(19,170)
Information program expenses		(43,463)	(43,736)
Division expenses		-	(5,867)
Board expenses		(18,145)	(14,647)
Special projects expenses		(909)	(1,925)
Insurance expense		(5,387)	(11,049)
Consultancy expense		(123,071)	
Other expenses		(35,900)	(161,403)
Surplus/(Deficit) from operations		(51,924)	14,893
Other comprehensive income			-
Total comprehensive income attributed to members		(51,924)	14,893

The accompanying notes form part of the financial statements.

The Institute of Foresters of Australia

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Balance Sheet

As at 30 June 2014

	Note	2014 \$	2013 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	136,507	134,145
Accounts receivable and other debtors	5	39,868	28,345
Investments – term deposit		452,164	461,375
Other assets	6	3,399	1,894
Total current assets		631,938	625,759
Non-Current assets			
Property, plant and equipment	7	1,415	2,457
Total non-current assets		1,415	2,457
TOTAL ASSETS		633,353	628,216
LIABILITIES			
Current liabilities			
Accounts payable and other payables	8	86,816	35,844
Provision for employee benefits	9	7,050	9,886
Other liabilities	12	119,159	109,550
Total current liabilities		213,025	155,280
Non-Current liabilities			
Provision for employee benefits	9	-	684
Total non-current liabilities		-	684
TOTAL LIABILITIES		213,025	155,964
NET ASSETS		420,328	472,252
EQUITY			
Retained earnings		153,794	205,718
Reserves		266,534	266,534
TOTAL EQUITY		420,328	472,252

The accompanying notes form part of the financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2014

	Retained Earnings \$	General Reserves \$	Total \$
Balance at 1 July 2012	190,825	266,534	457,359
Surplus/ (Deficit) attributable to the entity	14,893	-	14,893
Balance at 30 June 2013	205,718	266,534	472,252
Surplus/ (Deficit) attributable to the entity	(51,924)	-	(51,924)
Balance at 30 June 2014	153,794	266,534	420,328

The accompanying notes form part of the financial statements.

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Statement of Cash Flows

For the Year Ended 30 June 2014

	Note	2014 \$	2013 \$
Cash from operating activities:			
Receipts from members		214,864	234,907
Receipts from operating activities		226,249	240,322
Interest received		9,829	25,146
Payments to suppliers and employees		(457,791)	(526,468)
Net cash provided by (used in) operating activities	11	(6,849)	(26,093)
Cash flows from investing activities:			
Payment for PP&E		-	(2,807)
Purchase of/proceeds from investments		9,211	(26,043)
Net cash provided by (used in) investing activities		9,211	(28,850)
Net increase (decreases) in cash held		2,362	(54,943)
Cash and cash equivalents at beginning of financial year		134,145	189,088
Cash at end of financial year	4	136,507	134,145

The accompanying notes form part of the financial statements.

The Institute of Foresters of Australia

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Notes to the Financial Statements

For the Year Ended 30 June 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers The Institute of Foresters of Australia as an individual entity, incorporated and domiciled in Australia. The Institute of Foresters of Australia is a company limited by guarantee.

Basis of preparation

The general purpose financial report has been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting policies

(a) Revenue

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

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

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

(b) Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(c) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Depreciation

The depreciable amount of all fixed assets including building and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Class of fixed asset	Depreciation rate
Plant and equipment	15-20%

(c) Impairment of assets

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

Where the future economic benefits of the asset are not primarily dependent upon the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an asset class, the entity estimates the recoverable amount of the cash generating unit to which the class of assets belongs.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of asset.

(d) Employee benefits

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on-costs. Other employee benefits payable later than one year have been measured at the net present value.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Cash and cash equivalents

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

(f) 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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

(g) Income tax

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

(h) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(i) Comparative Figures

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

(j) Rounding of amounts

Amounts in the financial report and directors' report have been rounded off to the nearest \$1.

(k) Critical accounting estimates and judgments

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(I) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the company. The company has decided not to early adopt any of the new and amended pronouncements. The company's assessment of the new and amended pronouncements that are relevant to the company but applicable in future reporting periods is set out below:

Reference	Title	Summary	Application date (financial years beginning)	Expected Impact
AASB 9	<i>Financial Instruments</i>	Replaces the requirements of AASB 139 for the classification and measurement of financial assets. This is the result of the first part of Phase 1 of the IASB's project to replace IAS 39.	1 January 2015 (Changed to 1 January 2017 by AASB 2013-9C)	Minimal impact expected
2009-11	<i>Amendments to Australian Accounting Standards arising from AASB 9</i>	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12 as a result of the issuance of AASB 9.	1 January 2015	Minimal impact expected
2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i>	Amends AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127 for amendments to AASB 9 in December 2010	1 January 2015	Minimal impact expected
2014-1B	<i>Amendments to Australian Accounting Standards</i>	Part B of AASB 2014-1 makes amendments to AASB 119 <i>Employee Benefits</i> in relation to the requirements for contributions from employees or third parties that are linked to service.	1 July 2014	Minimal impact expected
AASB 1031	<i>Materiality</i>	Re-issuance of AASB 1031	1 January 2014	No expected impact

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2. Revenue	2014	2013
	\$	\$
Operating activities		
– RPF application	200	2,100
– Subscriptions	236,371	254,697
– IFA items	-	376
– Australian Forestry Journal	9,475	27,294
– Register and advertising fees	51,860	10,587
– Interest received	19,858	23,652
– Consultancy fees	110,250	-
– Divisions	-	3,910
– AGM	-	2,277
– Other revenue	10,417	169,388
Total Revenue	438,431	494,281
3. Profit		
(a) Expenses		
Depreciation of plant and equipment	1,042	467
Total employee benefits expense	228,239	208,466
Auditor Remuneration		
– audit services	7,500	7,350
(b) Significant Revenue		
The following significant revenue are relevant in explaining the financial performance:		
– Subscriptions and journals	245,846	281,991
4. Cash and cash equivalents		
Cash at bank	136,507	133,945
Cash on hand	-	200
	136,507	134,145

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Notes to the Financial Statements

For the Year Ended 30 June 2014

5. Accounts Receivable and Other Debtors	2014	2013
	\$	\$
<i>Current</i>		
Accounts receivables	25,037	7,192
Other receivables	14,831	21,153
	<u>39,868</u>	<u>28,345</u>
6. Other Assets		
<i>Current</i>		
Prepayments	3,399	1,894
	<u>3,399</u>	<u>1,894</u>
7. Property, plant and equipment		
<i>Plant And Equipment</i>		
At cost	27,751	27,751
Less: accumulated depreciation	(26,336)	(25,294)
Total plant and equipment	<u>1,415</u>	<u>2,457</u>
(a) Movements in carrying amounts	Property, plant and equipment	Total
	\$	\$
2014		
Balance at the beginning of year	2,457	2,457
Depreciation expense	(1,042)	(1,042)
	<u>1,415</u>	<u>1,415</u>
2013		
Balance at the beginning of year	117	117
Additions	2,807	2,807
Depreciation expense	(467)	(467)
	<u>2,457</u>	<u>2,457</u>

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Notes to the Financial Statements

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8. Accounts Payable and Other Payables	2014	2013
	\$	\$
<i>Current</i>		
Trade payables	19,704	2,726
Other current payables	67,112	33,118
	<u>86,816</u>	<u>35,844</u>
9. Provisions		
CURRENT		
Short-term Employee Benefits		
Opening balance		9,886
Additional provisions raised during the year		2,643
Amounts used		(5,479)
Total current provisions		<u>7,050</u>
NON-CURRENT		
Long-term Employee Benefits		
Opening balance		684
Additional provisions raised during the year		-
Amounts used		(684)
Total non-current provisions		<u>-</u>
Total Provisions		<u>7,050</u>

Provision for Non-current Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. 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 on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to this report.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

10. Related Party Transactions

Key Management Personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any director (whether executive or otherwise) is considered key management personnel.

	2014 \$	2013 \$
Key Management Personnel Compensation		
Short-term benefits	120,719	113,059
Post-employment benefits	9,964	9,900
	<u>130,683</u>	<u>122,959</u>

11. Cash flow information

(a) Reconciliation of cash flow from operations with Surplus/ (Deficit) after income tax

Profit after income tax	(51,924)	14,893
Non cash flows		
– Depreciation	1,042	467
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(11,523)	51
(Increase)/decrease in prepayments	(1,505)	(43)
Increase/(decrease) in trade payables and accruals	50,972	(10,124)
Increase/(decrease) in income in advance	9,609	(36,743)
Increase/(decrease) in provisions	(3,520)	5,406
Cash flow provided by operating activities	<u>(6,849)</u>	<u>(26,093)</u>

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Notes to the Financial Statements

For the Year Ended 30 June 2014

12. Income in Advance

	2014	2013
	\$	\$
Membership and journal subscriptions	80,045	91,435
ACFA	15,487	18,115
Scholarship fund held in trust	23,627	-
	<u>119,159</u>	<u>109,550</u>

13. Assets and Liabilities of Trust for which the Company is a Trustee

The Institute of Foresters is the trustee of the Forestry Scholarship Fund 'the Fund'. The Fund was established for the purpose of providing scholarships for the study of forestry. Details of the underlying assets and liabilities are as follows:

	2014	2013
	\$	\$
<i>Current Assets</i>		
Cash	84,346	99,280
Debtors	-	-
TOTAL ASSETS	<u>84,346</u>	<u>99,280</u>
<i>Current Liabilities</i>	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>
NET ASSETS	<u>84,346</u>	<u>99,280</u>

14. Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

Specific Financial Risk Exposure and Management

The main risks the entity is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk. There have been no substantive changes in the types of risks the association is exposed to, how these risks arise, or the committee's objectives, policies and processes for managing or measuring the risks from the previous period.

(a) Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating cash investments.

(b) Liquidity risk

The entity manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash reserves are maintained.

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Notes to the Financial Statements

For the Year Ended 30 June 2014

14. Financial Risk Management (continued)

(c) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

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

Credit risk is managed by the entity and reviewed regularly by the board. It arises from exposures to customers as well as through deposits with financial institutions.

Financial Instruments Composition and Maturity Analysis

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

	Floating Interest Rate		Fixed Interest Rate Maturing		Non-interest Bearing		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
	\$	\$	\$	\$	\$	\$	\$	\$
Financial assets								
Cash at bank	136,507	111,767	-	-	-	-	136,507	111,767
Cash on hand	-	-	-	-	-	22,378	-	22,378
Receivables	-	-	-	-	39,868	28,345	39,868	28,345
Investments	-	-	452,164	461,375	-	-	452,164	461,375
Total anticipated inflows	136,507	111,767	452,164	461,375	39,868	50,723	628,539	623,865
Financial liabilities								
Trade and sundry payables	-	-	-	-	86,816	35,844	86,816	35,844
Total	-	-	-	-	86,816	35,844	86,816	35,844
Net (outflow)/inflow on financial instruments	136,507	111,767	452,164	461,375	(46,948)	14,879	541,723	588,021

The floating interest rates are 0.1% in 2014 (0.5% in 2013). The fixed interest rates were 4.05% in 2014 (5.0% in 2013).

	2014	2013
Trade and sundry payables are expected to be paid as follows:	\$	\$
Account payables		
Less than 12 months	86,816	35,844
	86,816	35,844

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Notes to the Financial Statements

For the Year Ended 30 June 2014

14. Financial Risk Management (continued)

Net Fair Values

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

Sensitivity analysis:

Interest rate risk

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

As at 30 June 2014, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant, would be as follows:

	2014	2013
	\$	\$
Change in profit		
— Increase in interest rate by 1%	5,887	5,731
— Decrease in interest rate by 1%	(5,887)	(5,731)
Change in equity		
— Increase in interest rate by 1%	5,887	5,731
— Decrease in interest rate by 1%	(5,887)	(5,731)

This sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

15. Entity details

The registered office of the entity is:

The Institute of Foresters of Australia
Building 9
Wilf Crane Crescent
YARRALUMLA ACT 2600

16. Member's Guarantee

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the entity. At 30 June 2014 the number of members was 1,037 (2013: 1,117).

Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes set out on pages 8 to 22, are in accordance with the *Corporations Act 2001*:

- (a) comply with Australian Accounting Standards; and
- (b) give a true and fair view of the financial position as at 30 June 2014 and of the performance for the year ended on that date of the entity.

2. In the directors' opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

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

Director: 

Dated: 15/10/14

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
INSTITUTE OF FORESTERS OF AUSTRALIA LIMITED

We have audited the accompanying financial report of The Institute of Foresters of Australia Limited ("the company"), which comprises the statement of financial position as at 30 June 2014, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes 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 financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Opinion

In our opinion, the financial report of The Institute of Foresters Australia Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

RSM Bird Cameron Partners

RSM Bird Cameron Partners



G M STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 21 OCTOBER 2014