

Australian Association for Research in Education Inc.

ABN: 27 453 170 042

Financial Statements

For the year ended 30 June 2023

Australian Association for Research in Education Inc.

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Australian Association for Research in Education Inc.

Committee's report

30 June 2023

The Committee present their report on Australian Association for Research in Education Inc. for the financial year ended 30 June 2023.

Information on committee members

The names of each person who has been a member during the year and to date of the report are:

Julie McLeod (Prof) - President

Allyson Holbrook (Prof) - Immediate Past President

Annette Woods (Prof) - Secretary (appointed 30/11/2022)

Michele Simons (Prof) - Treasurer

Steward Riddle (Assoc Prof) (appointed 30/11/2022)

Amando Levido (Dr) (appointed 30/11/2022)

Ilektra Spandagou (Assoc Prof)

Kalervo Gulson (Prof) (appointed 30/11/2022)

Ellen Larsen (Dr)

Sarah Langman (Miss) (appointed 30/11/2022)

Catherine Smith (appointed 07/03/2023)

Olivia Johnston (Dr)

Chris Boyle (Prof) (appointed 30/11/2022)

Gawain Bodkin - Andrews (Prof) (resigned 30/11/2022)

Natalie Downs (Miss) (vacated, term completed 30/11/2022)

Kathryn Grushka (Dr) (resigned 16/02/2023)

Abbey McDonald (Dr) (resigned 30/11/2022)

Nicole Mockler (Assoc Prof) (vacated, term completed 30/11/2022)

Anna Sullivan (Prof) (resigned 30/11/2022)

Sara Weuffen (Dr) (vacated, term completed 30/11/2022)

John Lester (Emeritus Prof) - (resigned 30/11/2022)

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

Australian Association for Research in Education Inc.

Committee's report

30 June 2023

Principal activities

The principal activity of Australian Association for Research in Education Inc. during the financial year was promoting, supporting and improving research and scholarship in education and, through its dissemination and application, to enhance understanding of educational processes and development of policy and practice at all levels..

No significant changes in the nature of the Association's activity occurred during the financial year.

Operating results

The surplus of the Association for the year amounted to \$167,308 (2022: \$78,228).

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Association during the year.

Events after the reporting date

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

Future developments and results

Likely developments in the operations of the Association and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Association.

Indemnification and insurance of officers and auditors

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 Australian Association for Research in Education Inc..

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2023 has been received and can be found on the following page.

Signed in accordance with a resolution of the Committee.



Julie McLeod (Prof)
President



Michele Simons (Prof)
Treasurer

Dated: 2 October 2023

LEAD AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the *Associations Incorporation Reform Act 2012*, I am pleased to provide the following declaration of independence to the committee members of Australian Association for Research in Education Inc.

As lead audit partner for the audit of the financial statements of Australian Association for Research in Education Inc for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- i) the auditor independence requirements as set out in the *Associations Incorporation Reform Act 2012* in relation to the audit; and
- ii) any applicable code of professional conduct in relation to the audit.

E. F. McPHAIL & PARTNERS



WAYNE C. DURDIN
Partner

27 September 2023
Melbourne

Australian Association for Research in Education Inc.

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
Revenue			
Membership subscriptions		128,395	73,744
Conference income		654,448	205,972
Royalty and copyright fee income		69,020	5,011
Other income		5,716	28,766
Interest income		5,179	256
Total Revenue		862,758	313,749
		-	-
Expenses			
Employee benefit expenses		-	(38,065)
Association management fees		(115,680)	(64,463)
Audit fee		(4,110)	(7,110)
Award and scholarship expenses		(19,612)	(2,939)
Bank and merchant charges		(3,310)	(6,887)
Bookkeeping		(500)	(2,473)
Conference expenses		(417,033)	(12,234)
Editorial support		(39,776)	(29,924)
Insurance		(2,621)	(3,085)
Legal fees		-	(6,497)
Meeting expenses		(23,857)	(12,375)
Publication expenses		(10,592)	(1,397)
Rental		-	(4,087)
SIG Funding		(32,992)	(26,551)
Subscriptions and memberships		(6,171)	(4,269)
Strategic projects		(5,666)	(3,658)
Website		(11,537)	(4,004)
Other sundry expenses		(1,993)	(5,503)
Total Expenses		(695,450)	(235,521)
		-	-
Surplus for the Year		167,308	78,228

The accompanying notes form part of these financial statements.

Australian Association for Research in Education Inc.

Statement of financial position

As at 30 June 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	5	1,351,781	1,151,012
Trade and other receivables	6	3,488	10,548
Other assets	7	25,000	77,894
Total current assets		1,380,269	1,239,454
Total assets		1,380,269	1,239,454
Liabilities			
Current liabilities			
Trade and other payables	8	14,201	34,844
Prepaid membership subscription		52,196	58,046
Total current liabilities		66,397	92,890
Total liabilities		66,397	92,890
Net assets		1,313,872	1,146,564
Equity			
Retained earnings		1,313,872	1,146,564

The accompanying notes form part of these financial statements.

Australian Association for Research in Education Inc.

Statement of changes in equity

For the year ended 30 June 2023

2022	Retained earnings \$	Total equity \$
Opening balance	1,068,336	1,068,336
Surplus for the year	78,228	78,228
Closing balance	1,146,564	1,146,564

2023	Retained earnings \$	Total equity \$
Opening balance	1,146,564	1,146,564
Surplus for the year	167,308	167,308
Closing balance	1,313,872	1,313,872

The accompanying notes form part of these financial statements.

Australian Association for Research in Education Inc.

Statement of cash flows For the year ended 30 June 2023

	2023	2022
	\$	\$
Cash flows from operating activities:		
Receipts from customers	858,789	361,698
Payments to suppliers and employees	(633,199)	(294,117)
Interest received	5,179	256
Net cash flows from/(used in) operating activities	230,769	67,837
Cash flows from investing activities:		
None	-	-
Cash flows from financing activities:		
None	-	-
Net increase/(decrease) in cash and cash equivalents	230,769	67,837
Cash and cash equivalents at beginning of year	1,151,012	1,083,175
Cash and cash equivalents at end of financial year	1,381,781	1,151,012

The accompanying notes form part of these financial statements.

Australian Association for Research in Education Inc.

Notes to the financial statements

For the year ended 30 June 2023

1. Introduction

The financial statements cover Australian Association for Research in Education Inc. as an individual entity. Australian Association for Research in Education Inc. is a not-for-profit Association, incorporated and domiciled in Australia.

The functional and presentation currency of Australian Association for Research in Education Inc. is Australian dollars.

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

2. Basis of preparation

In the opinion of the committee of management, the Association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. These special purpose financial statements have been prepared to meet the reporting requirements of the *Associations Incorporation Reform Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows* and AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

The financial statements 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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

3. Summary of significant accounting policies

a. Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

b. Revenue

Revenue from membership subscriptions is recognised in the period to which it relates.

When the Association receives grant revenue, donations, or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 and AASB 1058. When there are conditions attached to grant revenue relating to the use of these grants for specific purposes, it is recognised in the balance sheet as a liability until such conditions are met or services provided.

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

Australian Association for Research in Education Inc.

Notes to the financial statements

For the year ended 30 June 2023

c. Income tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

d. Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the Statement of cash flows are included 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 is classified as operating cash flows.

e. Impairment of non-financial assets

At the end of each reporting period the Association determines whether there is evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

f. Financial instruments

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

i. Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Australian Association for Research in Education Inc.

Notes to the financial statements

For the year ended 30 June 2023

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

The Association does not have financial assets measured at fair value through profit or loss and fair value through other comprehensive income.

Amortised cost

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost
- debt investments measured at FVOCI.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Association considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Association's historical experience and informed credit assessment and including forward looking information.

The Association uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Association uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Association in full, without recourse to the Association to actions such as realising security (if any is held); or
- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Association in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Australian Association for Research in Education Inc.

Notes to the financial statements

For the year ended 30 June 2023

Trade receivables

Impairment of trade receivables and contract assets have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and contract asset and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

ii. Financial liabilities

The Association classifies financial liabilities into either:

- liabilities measured at fair value through profit or loss; or
- other financial liabilities.

Liabilities measured at fair value through profit or loss comprise of derivative financial instruments and changes in fair value are recorded in profit or loss at each reporting period.

Other financial liabilities are initially recorded at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. Other financial liabilities comprise trade payables, bank and other loans and lease liabilities.

g. Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time at 30 June 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Association.

4. Critical accounting estimates and judgements

GST on royalty and copyright fee income from overseas

During the year, the Association received royalty fee income from an overseas company for sales of research/education journals to both purchasers inside and outside Australia. The Association has not made an assessment whether all or part of this income are subject to GST in Australia, and has prudently applied GST to the whole of royalty income.

5. Cash and cash equivalents

	2023	2022
	\$	\$
Cash at bank (including short-term deposits)	1,351,781	1,151,012

Australian Association for Research in Education Inc.

Notes to the financial statements

For the year ended 30 June 2023

6. Trade and other receivables

Current	2023	2022
	\$	\$
Trade receivables	85	501
GST receivable	3,403	10,047
	3,488	10,548

7. Other assets

Current	2023	2022
	\$	\$
Other assets		
Prepayments	-	55,167
Conference seed funding	25,000	22,727
	25,000	77,894

8. Trade and other payables

Current	2023	2022
	\$	\$
Trade payables	1,017	27,766
Credit cards	-	40
Accrued expenses	-	7,038
Sundry payables	13,184	-
	14,201	34,844

9. Contingencies

In the opinion of the Committee, the Association did not have any contingencies at 2023 (2022: None).

10. Events occurring after the reporting date

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

Australian Association for Research in Education Inc.

Certificate by members of committee

Annual statements give true and fair view of financial performance and position of incorporated association

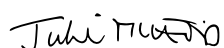
The Committee of the Association declare that:

The financial statements and notes for the year ended 30 June 2023 are in accordance with the *Associations Incorporation Reform Act 2012, and:*

- comply with Australian Accounting Standards to the extent described in Note 2 to the financial statements; and
- give a true and fair view of the Association's financial position as at 30 June 2023 and of the performance for the year ended on that date.

In the Committee's opinion, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

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



Julie McLeod (Prof)
President



Michele Simons (Prof)
Treasurer

Dated: 2 October 2023

Independent Auditor's Report To the Members of Australian Association for Research in Education Inc

Opinion

We have audited the special purpose financial report of Australian Association for Research in Education Inc (the "Association"), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements comprising a summary of significant accounting policies and other explanatory information, and the annual statement by Committee.

In our opinion, the accompanying financial report of the Association is in accordance with the *Associations Incorporation Reform Act 2012 (Vic)*, including:

- (a) giving a true and fair view of the Association's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 2 to the financial report and the *Associations Incorporation Reform Act 2012 (Vic)*.

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 Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Association's annual report for the year ended 30 June 2023 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Committee's financial reporting responsibilities under the *Associations Incorporation Reform Act 2012 (Vic)*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of Association for the year ended 30 June 2022 were audited by another auditor who expressed an unmodified opinion on those statements on 15 September 2022.

Responsibilities of the Committee for the Financial Report

The Committee is responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the needs of the members and the *Associations Incorporation Reform Act 2012 (Vic)*, and for such internal control as the Committee determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee is responsible for assessing the Association'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 management either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

The Committee is responsible for overseeing the Association'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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee.

- Conclude on the appropriateness of the Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

E. F. McPHAIL & PARTNERS

A handwritten signature in black ink that reads "Wayne Durdin". The signature is written in a cursive style with a long horizontal stroke at the end.

WAYNE C. DURDIN
Partner

27 September 2023
Melbourne