

AUSTRALIAN INSTITUTE OF GEOSCIENTISTS

A.C.N. 002 266 659

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

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AUSTRALIAN INSTITUTE OF GEOSCIENTISTS

ACN 002 266 659

DIRECTORS' REPORT

Your executive directors present this report on the entity for the financial year ended 31 December 2012.

DIRECTORS

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

Ms K Camuti
Mr A Waltho
Mr R Rogerson
Mr R Adams

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

COMPANY SECRETARY

The following person held the position of entity secretary at the end of the financial year:

Mr R Adams MHS, GradDip IntBus – (Appointed Secretary May 2005) – Ron has over 30 years experience in both private and public management.

PRINCIPAL ACTIVITIES

The principal activity of the Institute during the financial year was to promote the professional standing, identity and reputation of geoscientists in Australia. No significant changes in the nature of the Institute's activity occurred during the year.

OPERATING RESULTS

The profit of the entity amounted to \$178,513 (2011: \$24,087)

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

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

AFTER BALANCE DATE EVENTS

No matter or circumstances has arisen since the end of the financial year which had or could have a significant effect on the Institute's operations, the results of those operations or its state of affairs in subsequent financial years.

DIRECTORS' REPORT

FUTURE DEVELOPMENTS

The entity expects to maintain the present status and level of operations.

ENVIRONMENTAL ISSUES

The entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

INFORMATION ON DIRECTORS

K Camuti (President) MAIG, PPGeo, MSc, BSc Geology, Dip Applied Geology (appointed May 2012) Kaylene has had extensive experience in the geoscience profession.

A. Waltho (Vice-President) MAIG, RPGeo – (appointed May 2005) – Andrew has had extensive experience as a consultant geologist and was elected as President in 2000, served that year and again in 2003 – 2004.

R. Rogerson (Treasurer) BSc (Hons), PhD, MBA, MAIG - (appointed Treasurer May 2010) – Rick has over 30 years experience in geosciences and mineral policy advice.

R. Adams (Secretary) MHS, GradDip IntBus – (Appointed Secretary May 2005) – Ron has over 30 years experience in both private and public management.

MEETINGS OF DIRECTORS

During the financial year, 6 meetings of directors (including committees of directors) were held. Attendances by each director were as follows:

Directors	Board Meetings	
	Held	Attended
K Camuti	6	6
A. Waltho	6	4
R. Rogerson	6	4
R. Adams	6	6

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 not been an officer or auditor of the entity.

AUSTRALIAN INSTITUTE OF GEOSCIENTISTS

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DIRECTORS' REPORT

PROCEEDINGS ON BEHALF OF THE ENTITY

No person has applied for leave of 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 entity was not a party to any such proceedings during the year.

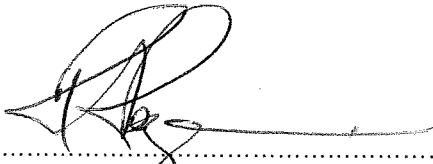
AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 31 December 2012 has been received and can be found on page 6 of the directors' report.

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



.....
R. ADAMS
DIRECTOR



.....
R. ROGERSON
DIRECTOR

Dated this 3rd day of May 2013

**AUDITOR'S INDEPENDENCE DECLARATION UNDER
SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF
AUSTRALIAN INSTITUTE OF GEOSCIENTISTS**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2012 there has been:

- i. no contraventions of auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

UTC Integrative Solutions
Certified Practising Accountants


U-Li Cheong
Registered Company Auditor

Date: 3 May 2013

Address: Suite 4, 20 Kearns Crescent, ARDROSS WA 6153

AUSTRALIAN INSTITUTE OF GEOSCIENTISTS

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**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012	2011
		\$	\$
Revenue	2	606,793	435,587
Expenses			
Administration expenses		(119,676)	(99,974)
Audit, legal and consultancy expenses		(4,400)	(9,299)
Doubtful debts expense		(16)	(5,580)
Other expenses		(304,188)	(296,647)
Total Expenses		(428,280)	(411,500)
Current year surplus before income tax		178,513	24,087
Income tax expense		-	-
Net current year surplus for the year		178,513	24,087
Other comprehensive income for the year		-	-
Total comprehensive income for the year		178,513	24,087
Total comprehensive income attributable to members of the entity		178,513	24,087

The accompanying notes form part of these financial statements.

AUSTRALIAN INSTITUTE OF GEOSCIENTISTS

ACN 002 266 659

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2012

	Note	2012	2011
ASSETS		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	4	591,143	536,825
Accounts receivables and other debtors	5	202,976	37,630
Other assets	6	57,399	73,186
TOTAL CURRENT ASSETS		<u>851,518</u>	<u>647,641</u>
NON-CURRENT ASSETS			
Plant & Equipment	7	590	590
TOTAL NON-CURRENT ASSETS		<u>590</u>	<u>590</u>
TOTAL ASSETS		<u>852,108</u>	<u>648,231</u>
CURRENT LIABILITIES			
Trade and other payables	8	35,233	9,869
TOTAL CURRENT LIABILITIES		<u>35,233</u>	<u>9,869</u>
TOTAL LIABILITIES		<u>35,233</u>	<u>9,869</u>
NET ASSETS		<u>816,875</u>	<u>638,362</u>
EQUITY			
Retained Surplus		816,875	638,362
TOTAL EQUITY		<u>816,875</u>	<u>638,362</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN INSTITUTE OF GEOSCIENTISTS

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Retained Surplus \$
Balance at 1 January 2011	614,275
Comprehensive Income	
Surplus for the year attributable to members of the entity	24,087
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>24,087</u>
Balance at 31 December 2011	<u>638,362</u>
Comprehensive Income	
Surplus for the year attributable to members of the entity	178,513
Other comprehensive income for the year	-
Total comprehensive income attributable to members of the entity	<u>178,513</u>
Balance at 31 December 2012	<u><u>816,875</u></u>

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 \$	2011 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and customers		363,961	411,511
Payments to suppliers and contractors		(331,218)	(445,837)
Interest received		21,575	18,495
Net cash (used in) / provided by operating activities	9b	54,318	(15,831)
CASH FLOW FROM INVESTING ACTIVITIES			
Amount due from a director		-	(51,281)
Payments for property, plant & equipment		-	(590)
Net cash used in investing activities		-	(51,871)
Net increase / (decrease) in cash held		54,318	(67,702)
Cash and cash equivalents at beginning of the financial year		536,825	604,527
Cash and cash equivalents at end of the financial year	9a	591,143	536,825

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basic of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The company is a not for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below, and have been consistently applied unless otherwise stated.

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 rendering of a service is recognised upon delivery of the service to the customers. Donations and bequests are recognised as revenue when received.

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

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

b. Income Tax

No provision has been made for the payment of income tax, as the entity is exempt from payment of income tax under Div 50 of the *Income Tax Assessment Act 1997*.

c. Impairment of Assets

At the end of each reporting period, 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 asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's 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 determined as the depreciated replacement cost of an asset.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Where it is not possible to estimate the recoverable amount of a class of assets, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited 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 same class of asset.

d. Segment Reporting

The Institute is a friendly society whose main purpose is to promote the professional standing, identity and reputation of Geoscientists within Australia and as such comprises only one reportable industry and geographical segment.

e. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and deposits held at call with banks with original maturities of twelve months or less.

f. Accounts Receivable and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Amounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. Refer to Note 1(c) for further discussions on the determination of impairment losses.

g. Plant and Equipment

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

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Depreciation

The depreciable amount of all fixed assets, is depreciated on a straight-line bases over the asset's useful life to the entity commencing from the time the asset is held ready for use. The useful life of assets are given below:

Office Equipment	5 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

h. 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 Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis, except for the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO. The GST component of financing and investing activities which is recoverable from, or payable to, the ATO is classified as a part of operating cash flows. Accordingly, investing and financing cash flows are presented in the statement of cash flows net of the GST that is recoverable from, or payable to, the ATO.

i. Trade and Other Payable

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

j. Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified "at fair value through profit or loss" in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition;
- (ii) less principal repayments;
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- (iv) less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

(i) *Financial assets at fair value through profit or loss*

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, or where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) *Loans and receivables*

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets.)

If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) *Financial liabilities*

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Derecognition

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

Impairment of Assets

At the end of each reporting period, 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 asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's 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 determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of assets, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is debited 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 same class of asset.

k. New Accounting Standards for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Institute has decided not to early adopt. The Institute believes those future requirements have no significant impact on the entity.

l. Comparative Figures

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

m. Critical Accounting Estimates and Judgments

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

Key estimates – Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

	2012	2011
NOTE 2: REVENUE		
Operating Activities		
Sales revenue	279	1,212
Membership and registration	251,460	224,651
News advertising	15,442	13,385
Seminar – conferences and functions	311,408	175,022
Others	6,629	2,822
Interest received	21,575	18,495
Total Revenue	<u>606,793</u>	<u>435,587</u>

NOTE 3: EXPENSES

Auditor remuneration		
- audit services	<u>4,400</u>	<u>4,200</u>

NOTE 4: CASH

Cash at bank - FEDERAL	111,300	67,764
Cash at bank - WA	97,312	59,552
Cash at bank - QLD	29,112	26,344
Cash at bank - VIC	3,839	4,722
Cash at bank - NSW	10,768	26,353
Cash at bank – SA	19,684	18,733
Cash on deposit – FEDERAL	64,795	85,732
Cash on deposit – QLD	63,198	60,367
Cash on deposit – NSW	17,135	16,361
Cash on deposit – WA	174,000	166,162
Cash on Hand - FEDERAL	-	1,100
Cash on Hand - QLD	-	3,635
	<u>591,143</u>	<u>536,825</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012	2011
	\$	\$
NOTE 5: ACCOUNTS RECEIVABLES AND OTHER DEBTORS		
Current:		
Debtors - FEDERAL	191,530	20,306
Debtors - WA	5,903	6,967
Debtors - VIC	127	127
Debtors - QLD	5,416	250
Debtors - SA	-	9,980
	<u>202,976</u>	<u>37,630</u>
Provision for impairment loss (a)	-	-
	<u>202,976</u>	<u>37,630</u>

- (a) Current accounts receivables are generally on 30 day terms and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in doubtful debt expenses.

NOTE 6: OTHER ASSETS

Amount due from a director	55,911	51,281
Prepayments – FEDERAL	1,488	21,905
	<u>57,399</u>	<u>73,186</u>

Amount due from a director

When the term deposit for NSW matured on 13 January 2011, the moneys were erroneously transferred into the personal bank account of a director by the bank. The principal and interest of 4.5% p.a. was repaid on 2 May 2013.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012	2011
	\$	\$
NOTE 7: PLANT AND EQUIPMENT		
Plant and equipment		
At cost	590	590
Less accumulated depreciation	-	-
	<u>590</u>	<u>590</u>
Total plant and equipment	<u>590</u>	<u>590</u>

	Plant and Equipment	Total
	\$	\$
2012		
Balance at the beginning of the year		
Additions at cost	590	590
Additions at fair value	-	-
Disposals	-	-
Depreciation expense	-	-
Carrying amount at the end of the year	<u>590</u>	<u>590</u>

NOTE 8: PAYABLES

Current:

Creditors and accruals - FEDERAL	19,500	6,126
- QLD	8,332	-
- NSW	1,067	-
Other Creditors - FEDERAL	(10,227)	(8,750)
- WA	12,557	7,482
- QLD	5,394	5,757
- NSW	(1,386)	(1,151)
- SA	253	600
- VIC	(277)	(195)
	<u>35,233</u>	<u>9,869</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	\$	\$
NOTE 9: CASH FLOW INFORMATION		
(a) Reconciliation of Cash		
Cash at the end of financial year as shown in the statement of cash flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash at bank - FEDERAL	111,300	67,764
Cash at bank - WA	97,312	59,552
Cash at bank - QLD	29,112	26,344
Cash at bank - VIC	3,839	4,722
Cash at bank - NSW	10,768	26,353
Cash at bank – SA	19,684	18,733
Cash on deposit – FEDERAL	64,795	85,732
Cash on deposit – QLD	63,198	60,367
Cash on deposit – NSW	17,135	16,361
Cash on deposit – WA	174,000	166,162
Cash on Hand - FEDERAL	-	1,100
Cash on Hand - QLD	-	3,635
	<u>591,143</u>	<u>536,825</u>
 (b) Reconciliation cashflow from operations with profit after income tax		
Profit from ordinary activities after income tax	178,513	24,087
Changes in assets and liabilities		
(Increase)/decrease in receivables	(165,346)	(10,739)
Increase/(decrease) in trade creditors and accruals	25,364	(32,254)
Decrease/ (Increase) in other assets	15,787	3,075
Cash flows (used in) / from operating activities	<u>54,318</u>	<u>(15,831)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

2012 2011
\$ \$

NOTE 10: FINANCIAL RISK MANAGEMENT

a Financial Risk Management

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

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

Financial Assets

Cash and cash equivalents	4	591,143	536,825
Trade and other receivables	5	202,976	37,630
Amount due from a director		55,911	51,281
Total financial assets		<u>850,030</u>	<u>625,736</u>

Financial Liabilities

Financial liabilities at amortised cost:

- trade and other payables	8	35,233	9,869
Total financial assets		<u>35,233</u>	<u>9,869</u>

b. Net Fair Value

- (i) Fair value of held-to-maturity investments are based on quoted market prices at the ending of the reporting period.

NOTE 11: ENTITY DETAILS

The registered office of the entity is:

Australian Institute of Geoscientists
36 Brisbane Street
PERTH WA 6000

The entity has various branches across Australia. The major events are held in Western Australia, where the Federal office and WA Division are based.

NOTE 12: MEMBERS' GURANTEE

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 \$50 each towards meeting any outstanding obligations of the entity. At 31 December 2012, the maximum total amount that members of the company are liable to contribute if the company was wound up is \$141200.

AUSTRALIAN INSTITUTE OF GEOSCIENTISTS

ACN 002 266 659

DIRECTORS' DECLARATION

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 7 to 20, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards; and
 - b. gives a true and fair view of the financial position as at 31 December 2012 and 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 a resolution of the Board of Directors



.....
R. ADAMS
DIRECTOR



.....
R ROGERSON
DIRECTOR

Dated this 30 day of May 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN INSTITUTE OF GEOSCIENTISTS

Report on the Financial Statements

We have audited the accompanying financial statements of Australian Institute of Geoscientists, which comprises the statement of financial position as at 31 December 2012, 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 Statements

The directors of the company are responsible for the preparation and fair presentation of the financial statements that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial statements 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 statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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*, provided to the directors of Australian Institute of Geoscientists on 31 December 2012, would be in the same terms if provided to the directors as at the date of this auditor's report.


**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN INSTITUTE OF GEOSCIENTISTS**

Auditor's Opinion

In our opinion, the financial statements of Australian Institute of Geoscientists is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

UTC Integrative Solutions
Certified Practising Accountants


U-Li Cheong
Principal

Address: Suite 4, 20 Kearns Crescent, ARDROSS WA 6153

Dated this 3rd day of May 2013