

THE INTERNET SOCIETY OF AUSTRALIA
ACN: 076 406 801
(A Company Limited by Guarantee)

The Financial Reports

For the year ended June 30, 2016

Meagher Howard & Wright
Level 5
55 Grafton Street
BONDI JUNCTION NSW 2022
Phone: (02) 9387 8988
Fax: (02) 9387 8388

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

**CONTENTS OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016**

Auditor's Independence Declaration	3
Statement of Income	4
Statement of Changes in Equity	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Directors' Declaration	12

**Postal Address:
P O Box 1705
North Sydney NSW 2059**

**Principal Place of Business:
29 Willis Avenue
St Ives NSW 2075**

**Registered Address:
Internet Society of Australia
C/ Maddocks Lawyers
Level 7 140 William St
Melbourne 3000**

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

AUDITOR'S INDEPENDENCE DECLARATION

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

AUDITOR'S INDEPENDENCE DECLARATION

	NOTE	2016 \$	2015 \$
Revenues from Ordinary Activities	4	63,162	27,703
Expense of Ordinary Activities (excluding borrowing costs)	5	(80,185)	(53,753)
		<hr/>	<hr/>
Operating Surplus/(deficit) before Tax		<hr/> (17,023) <hr/>	<hr/> (26,050) <hr/>
Income Tax Applicable to Operating Surplus		<hr/> - <hr/>	<hr/> - <hr/>
Operating Surplus/Deficit after Income Tax		<hr/> (17,023) <hr/>	<hr/> (26,050) <hr/>

STATEMENT OF CHANGES IN EQUITY

	NOTE	Retained Earnings	Total
Balance as at 30 th June 2013		<hr/> 80,984 <hr/>	<hr/> 43,027 <hr/>
Surplus/(Deficit)		<hr/> (26,050) <hr/>	<hr/> 37,957 <hr/>
Balance as at the 30 th June 2015		<hr/> 54,934 <hr/>	<hr/> 80,984 <hr/>
Surplus/(Deficit)		<hr/> (17,023) <hr/>	<hr/> (26,050) <hr/>
Balance as at the end of 30 th June 2016		<hr/> 37,911 <hr/>	<hr/> 54,934 <hr/>

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

AUDITOR'S INDEPENDENCE DECLARATION

		2016	2015
	NOTE	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	<u>37,762</u>	<u>39,337</u>
Trade and other receivable	3	<u>7,699</u>	<u>20,593</u>
TOTAL CURRENT ASSETS		<u>45,461</u>	<u>59,930</u>
TOTAL ASSETS		<u>45,461</u>	<u>59,930</u>
LIABILITIES			
CURRENT LIABILITIES			
Other creditors	7	-	-
GST on supplies		<u>7,550</u>	<u>4,996</u>
TOTAL CURRENT LIABILITIES		<u>7,550</u>	<u>4,996</u>
TOTAL LIABILITIES		<u>7,550</u>	<u>4,996</u>
NET ASSETS		<u>37,911</u>	<u>54,934</u>
EQUITY			
Retained earnings	8	<u>37,911</u>	<u>54,934</u>
TOTAL EQUITY		<u>37,911</u>	<u>54,934</u>

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

AUDITOR'S INDEPENDENCE DECLARATION

	NOTE	2016 \$	2015 \$
CASHFLOWS FROM OPERATING ACTIVITIES			
Cash receipts from debtors		75,367	11,937
Cash payments to suppliers		(77,631)	(56,469)
Interest received		<u>689</u>	<u>1,436</u>
Net cash provided/(used) in operating activities	10	<u>(1,575)</u>	<u>(43,096)</u>
Net increase/(decrease) in cash held		<u>(1,575)</u>	<u>(43,096)</u>
Cash held at beginning of year		<u>39,337</u>	<u>82,433</u>
Cash at end of year		<u>37,762</u>	<u>39,337</u>

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

AUDITOR'S INDEPENDENCE DECLARATION

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. 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 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.

Accounting Policies

(a) Revenue

Grant revenue is recognised in the income statement when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the balance sheet as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Internet Society of Australia receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the balance sheet, with a corresponding amount of income recognised in the income statement.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service.

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

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

AUDITOR'S INDEPENDENCE DECLARATION

(h) 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.

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) Income Tax

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

(m) Comparative Figures

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

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 2 CASH	2016	2015
Bendigo operating accounts	15,274	17,404
Term deposit	<u>22,488</u>	<u>21,933</u>
	<u>37,762</u>	<u>39,337</u>
NOTE 3 RECEIVABLES		
Trade debtors	-	14,330
GST receivables	<u>7,699</u>	<u>6,263</u>
	<u>7,699</u>	<u>20,593</u>
NOTE 4 OPERATING REVENUE		
Individual Membership fees	11,318	9,130
Organisational Membership fees	4,200	3,500
Donations/sponsorship	45,455	13,636
Events Income	1,500	-
Interest received - bank	<u>689</u>	<u>1,437</u>
	<u>63,162</u>	<u>27,703</u>

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 5 OPERATING EXPENSES

	2016	2015
Operating profit before income tax is arrived at after charging the following items:		
Auditor's remuneration	1,700	1,700
Accounting expenses	1,170	1,836
Bank fees & charges	672	469
Computer expenses	850	858
Filing and licence fees	1,459	45
Meeting Expenses	-	909
Insurance	1,627	1,618
Legal costs	676	-
Consultant expenses	NOTE 9 54,750	28,206
Consumer projects	1,549	6,059
Provision for employee benefits	-	315
Secretariat expenses	1,421	598
Travel & Accommodation expenses	14,311	11,140
	80,185	53,753

NOTE 6 TRADE DEBTORS

Trade debtors	-	14,330
Less: Provision for doubtful debts	-	-
	-	14,330

NOTE 7 OTHER CREDITORS

Income in Advance	-	-
	-	-

NOTE 8 MEMBERS EQUITY

The company is a company limited by guarantee. In the event of the company winding up its operations, the members have guaranteed to contribute a maximum amount of \$1 per member.

NOTE 9 RELATED PARTIES

No Director has entered into a material contract with the company or received any other benefit or remuneration apart from reimbursement of approved expenses.

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 10	STATEMENT OF CASH FLOWS	2016	2015
	Reconciliation of the operating profit/ (loss) after tax to the net cash flows from operations		
	Operating profit/(loss) after tax	(17,023)	(26,050)
	Depreciation	-	-
	Changes in assets and liabilities		
	(Increase)/decrease in debtors	14,330	(14,295)
	(Increase)/decrease in other assets	(1,436)	(5,233)
	Increase/(decrease) in provisions	-	-
	Increase/(decrease) in sundry creditors	<u>2,554</u>	<u>2,482</u>
	Net Cash Flows from operating Activities	<u>(1,575)</u>	<u>(43,095)</u>

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

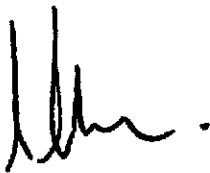
ACN: 076 406 801

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**

- 1(a) The financial statements and notes to the accounts have been made out in accordance with applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).
- 1 (b) The financial statements and notes to the accounts are drawn up so as to give a true and fair view of the results and cash flows and financial position of the company for the financial year ended 30 June 2016.
- 2 In the opinion of the directors of the Internet Society of Australia:
- (a) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
 - (b) the financial statements are drawn up in accordance with The Corporations Law including sections 296 and 297.

Dated at Sydney this..... day of February..... 2017

Signed in accordance with a resolution of the directors:



...George Fong.....
Director - Secretary



...CRAIG O'ROURKE.....
Director - Hon. Treasurer

**INTERNET SOCIETY OF AUSTRALIA
(A Company Limited by Guarantee)**

ACN: 076 406 801

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016**