



2015

FINANCIAL REPORT

Financial Statement 2015

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	2015 A\$	2014 A\$	2013 A\$
Cash	1,529,733	1,623,102	1,677,320
Receivables	0	0	0
Total current assets	1,529,733	1,623,102	1,677,320
Plant and equipment	15,207	25,262	38,839
Total non-current assets	15,207	25,262	38,839
Total assets	1,544,940	1,648,364	1,716,159
Creditors and borrowings	0	0	0
Provisions (leave liabilities)	260,561	270,895	241,563
Total current liabilities	260,561	270,895	241,563
Net assets	1,284,379	1,377,469	1,474,596
Shareholder's equity			
Partner contributions	243,980	243,980	243,980
Retained profits/acc (losses)	1,040,399	1,133,489	1,230,616
Total shareholder's equity	1,284,379	1,377,469	1,474,596

The balance sheet should be read in conjunction with the accompanying notes.

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 A\$	2014 A\$	2013 A\$
Income			
Affiliate membership fees	65,000	75,000	90,000
Project administration	128,063	81,556	71,239
Project income – staff time	132,589	235,800	210,176
Project income – contracts and reimbursements	74,669	60,452	6,574
Event fees and sponsorships	1,320,357	1,095,218	1,500,456
Publications and training materials	88,922	74,539	97,712
Publications contracts and sponsorships	60,077	99,444	65,044
Interest	12,881	15,451	16,192
UWA student and research allocation	55,868	43,000	47,880
Industry funded special projects	-9,344	143,032	57,013
Total income	1,932,082	1,923,492	2,162,286
Expenses			
Personnel	1,233,295	1,246,808	1,283,975
Personnel – relocation expenses	0	4,500	0
Provisions – personnel (increase/decrease)	-10,334	29,332	2,821
Office space incl. furniture and computers	1,734	8,782	21,369
Project and contract related expenses	115,422	144,601	97,857
Events, training and royalties	559,941	462,959	630,278
Travel, conferences and MV allowances	16,122	11,631	26,891
Operating overheads incl. printing and websites	25,846	59,883	61,621
Professional services	20,000	20,000	20,000
Depreciation	10,054	13,578	13,578
Loss on trade-in of vehicle	0	0	0
Specialist publications	43,852	0	0
Student related expenses incl. special projects	9,239	18,546	57,034
Total expenses	2,025,171	2,020,620	2,215,424
Net profit (loss)	-93,089	-97,128	-53,138
Opening retained earnings	-195,077	-97,949	-44,811
Closing retained earnings	-288,166	-195,077	-97,949

The income statement account should be read in conjunction with the accompanying notes.

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STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 A\$	2014 A\$	2013 A\$
Cash flow from operating activities			
Receipts from customers	1,919,201	1,908,041	2,146,096
Payments to suppliers and employees	-2,025,451	-1,977,710	-2,199,027
Interest received	12,881	15,451	16,192
Net cash flows from/(used in) operating activities	-93,369	-54,218	-36,739
Acquisitions of plant and equipment	0	0	0
Net cash flows from/(used in) investing activities	0	0	0
Cash flows from financing activities			
Net increase/(decrease) in cash held	-93,369	-54,218	-36,739
Add: Opening cash brought forward	1,623,102	1,677,320	1,714,059
Closing cash carried forward	1,529,733	1,623,102	1,677,320

The statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AT 31 DECEMBER 2015

1 Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with the historical cost convention. Cost in relation to assets represents the cash amount paid or the fair value of the asset given in exchange.

The financial statements have been made out in accordance with applicable accounting standards.

The accounting policies adopted are consistent with those of the previous year unless otherwise specified.

(a) Depreciation

Depreciation is provided on a straight line basis on all tangible fixed assets, other than freehold land, at rates calculated to allocate their cost or valuation less estimated residual value, against the revenue derived over their estimated useful lives.

As of 2007, in line with The University of Western Australia's policies, equipment purchases of less than \$5,000 in value are no longer recorded as an asset. The at cost plant and equipment value was amended accordingly in 2008.

(b) Income Tax

Tax effect accounting procedures are not applied as the Australian Centre for Geomechanics is a tax free research and education centre run on a not for profit basis.

(c) Income Recognition

Government grants are recorded as income when received.

Membership fees are recognised as income in line with the membership period covered in the subscription.

(d) Employee Entitlements

Provision is made for long service leave and annual leave estimated to be payable to employees on the basis of statutory and contractual requirements. Vested entitlements are classified as current and non-current liabilities.

The contributions made to superannuation funds by the entity are charged against profit.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2015 (continued)

	2015 A\$	2014 A\$	20123 A\$
2 Operating Profit/(Loss)			
a. The operating profit/(loss) before income tax is arrived at after charging/(crediting) the following items			
Depreciation – plant and equipment	10,054	13,578	13,578
Provision for employee entitlements	260,561	270,895	241,563
b. Included in the operating profit/(loss) are the following items of operating revenue			
Affiliate membership fees	65,000	75,000	90,000
Industry funding special projects and contracts	65,325	203,484	63,587
Project administration and staff time	260,652	317,356	281,415
Event fees and sponsorships	1,320,357	1,095,218	1,500,456
Publications and training materials	88,922	74,539	97,712
Interest – other persons/corporations	12,881	15,451	16,192
Publications contracts and sponsorships	60,077	99,444	65,044
UWA student and research allocation	58,868	43,000	47,880
Total revenue	1,932,082	1,923,492	2,162,286
3 Receivables			
Other debtors	0	0	0
Total receivables	0	0	0
4 Plant and Equipment			
At cost	136,223	136,223	136,223
Provision for depreciation	-121,016	-110,961	-97,384
Total plant and equipment	15,207	25,262	38,839

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
AT 31 DECEMBER 2015 (continued)

	2015 A\$	2014 A\$	2013 A\$
5 Creditors and Borrowings (current)			
Trade creditors and accruals	0	0	0
6 Provisions (current)			
Employee entitlements	260,561	270,895	241,563
7 Partner Contributions			
CSIRO opening/closing balance	60,320	60,320	60,320
WA School of Mines opening/closing balance	60,320	60,320	60,320
UWA Geomechanics opening/closing balance	60,520	60,520	60,520
UWA Geology	60,320	60,320	60,320
DMP* (previously DoIR) opening/closing balance	2,500	2,500	2,500
* contribution mainly provided in-kind			
Total partner contributions	243,980	243,980	243,980
8 Statement of Cash Flows			
Reconciliation of net profit/(loss) to the net cash flow from operations			
Net profit/(loss)	-93,089	-97,128	-53,138
Changes in assets and liabilities			
- Other debtors	0	0	0
- Trade creditors and accruals	0	0	0
- Employee entitlements provision	-10,334	29,332	2,821
Depreciation	10,054	13,578	13,578
Loss on trade-in of vehicles	0	0	0
Net cash flow from operating activities	-93,369	-54,218	-36,739

We gratefully acknowledge the support of Ms Blanche Foy – Faculty of Engineering, Computing and Mathematics, The University of Western Australia, who provided support in the preparation of the asset register.