

Society of Australian Genealogists

ACN 000 049 678

Financial Statements

For the Year Ended 31 December 2016

Society of Australian Genealogists

ACN 000 049 678

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For the Year Ended 31 December 2016

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Directors' Report

For the Year Ended 31 December 2016

The Directors present their report on Society of Australian Genealogists ('the Society') for the financial year ended 31 December 2016.

1. General information

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names	Position
Martyn Christopher Harold Killion	President
Alison Margaret Wolf	Vice President
John Leonard Burke	Treasurer
Melissa Hulbert	
Ian James Johnson	
Megan Martin	
Michelle Nichols	
Janette Louise Pelosi	
Philip Young	
Carole Gillian Riley (resigned 8 June 2016)	
Jeremy Palmer (resigned 11 May 2016)	
Michael Flynn (appointed 11 January 2017)	

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

Principal activities

The principal activity of Society of Australian Genealogists during the financial year was the conduct of a Family History Society.

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

Short term objectives

The company's short term objectives are to ensure the ongoing advancement of education by the promotion of history and, in particular, family history and allied subjects (through, inter alia, the maintenance of a library, research assistance, scholarly presentations and publication). The company is also committed:

- to attracting and retaining members and
- ensuring an appropriate level of Corporate Governance

Long term objectives

The company's long term objectives are the same as the short term objectives although the company also aims to ensure its ongoing financial sustainability.

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Directors' Report

For the Year Ended 31 December 2016

1. General information

Strategy for achieving the objectives

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

- ongoing development and improvement of collections and members services
- delivery of more online member services via an enhanced website
- planning to ensure appropriate accommodation for the Society's collections and operations
- ongoing improvement of Corporate Governance practices, including sound risk management practices and continuous compliance with all relevant laws and regulations
- good management of finances, including prudent investment strategies and careful monitoring over all its assets
- use of Committees in key areas to allow more detailed and focused development of strategies, policies and plans

Performance measures

The following measures are used within the company to monitor performance:

- monthly Board meetings to monitor performance and manage issues arising
- monthly reports from all operations as required
- monthly reports of membership numbers
- monthly management accounts comparing actual performance to budget
- ad hoc surveys and self assessments against best practice

Members' guarantee

Society of Australian Genealogists is a company limited by guarantee. If the company is wound up, the constitution states that each current member or member within the previous 12 months is required to contribute a maximum of \$10 each towards meeting any outstanding obligations of the company.

2. Operating results and review of operations for the year

Operating results

The surplus of the company for the financial year amounted to \$ 61,521 (2015: deficit of \$ (137,376)).

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Directors' Report

For the Year Ended 31 December 2016

3. Information on directors

Martyn Christopher Harold Killion

Qualifications

Years as director

Occupation

Special Responsibilities

President

BA, Grad Dip App Sci Info, Dip FHS, FSAG

17

Public servant

Honorary Secretary

Carole Gillian Riley (resigned 8 June 2016)

Qualifications

Years as director

Occupation

Special Responsibilities

Vice President

M. App Sci (PsychCoach), BSc, Dip Prof Couns, Dip FHS

9

Professional Genealogist

Editor

Alison Margaret Wolf

Qualifications

Years as director

Occupation

Vice President

BA, Dip Tech Inf Proc

11

Retired Computer Systems Analyst

John Leonard Burke

Qualifications

Years as director

Occupation

Special Responsibilities

Treasurer

PSM, BA, Dip. Lib, Dip. Archive Admin

5

Retired public servant

Convenor, Finance, Audit & Compliance

Ian James Johnson

Qualifications

Years as director

Occupation

Bsc (Hons), ICAEW, MAICD

9

Risk Management & Governance Consultant

Megan Martin

Qualifications

Years as director

Occupation

Special Responsibilities

MLitt, BA (Hons), Grad Dip Lib Sci, Grad Dip Aborig Studies

12

Librarian

Convenor, Collections

Michelle Nichols

Qualifications

Years as director

Occupation

OAM, MA, G Dip LAH, Dip FHS

11

Librarian

Jeremy Palmer (resigned 11 May 2016)

Qualifications

Years as director

Occupation

Special Responsibilities

BA (Hons) Dip. Gen

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Records Management Officer

Convenor, Education

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Directors' Report

For the Year Ended 31 December 2016

3. Information on directors

Melissa Hulbert	
Qualifications	BSc (Hons)
Years as director	1
Occupation	Astronomy Programs Co-ordinator, Sydney Observatory
Janette Louise Pelosi	
Qualifications	BA (Hons) (Syd), Dip IM Lib, Dip IM ArchivAdmin, MPHA
Years as director	3
Occupation	Archivist
Special Responsibilities	Convenor, Croker Prize for Biography
Philip Young	
Qualifications	Ass. Dip Welfare Work
Years as director	1
Occupation	Retired
Michael Cornelius Flynn (appointed 11 January 2017)	
Qualifications	MA, Dip FHS
Occupation	Research Officer

4. Meetings of directors

During the financial year, 12 meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Martyn Christopher Harold Killion	12	11
Alison Margaret Wolf	12	11
John Leonard Burke	12	10
Melissa Hulbert	12	9
Ian James Johnson	12	7
Janette Louise Pelosi	12	11
Megan Martin	12	7
Michelle Nichols	12	7
Philip Young	12	10
Carole Gillian Riley (resigned 8 June 2016)	6	5
Jeremy Palmer (resigned 11 May 2016)	5	5
Michael Flynn (appointed 11 January 2017)	-	-

5. Indemnification and insurance of officers and auditors

During the year, the company has paid premiums in respect of an insurance contract to indemnify officers against liabilities that may arise from their position as officers of the company. Officers indemnified include the directors and

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Directors' Report

For the Year Ended 31 December 2016

5. **Indemnification and insurance of officers and auditors**
executive officers participating in the management of the company.

Further disclosure required under section 300(9) of the Corporations Act 2001 is prohibited under the terms of the contract.

6. **Auditor's independence declaration**

The auditor's independence declaration in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* for the year ended 31 December 2016 has been received and can be found on page 6 of the financial report.

Signed in accordance with a resolution of the Board:

Director: 
.....
Martyn Christopher Harold Killion

Director: 
.....
John Leonard Burke

Dated this 15th day of February 2017



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Auditors Independence Declaration to the Directors of Society of Australian Genealogists

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Society of Australian Genealogists for the year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

HILL ROGERS

ASSURANCE PARTNERS

JOHN WILCOX
Partner

Dated this 15th day of February 2017

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2016

	Note	2016 \$	2015 \$
Income	2	723,648	519,438
Cost of sales		(96,826)	(93,313)
Gross profit		<u>626,822</u>	426,125
Employee benefits expense		(323,673)	(330,241)
Accommodation costs		(64,580)	(54,189)
Auditors remuneration		(10,000)	(10,045)
Bank charges		(9,593)	(9,429)
Consulting and professional fees		(850)	(209)
Depreciation and amortisation expense		(58,947)	(65,537)
Insurance		(16,782)	(12,323)
IT maintenance		(23,098)	(26,123)
Other expenses		(23,048)	(21,939)
Postage		(3,014)	(3,808)
Printing and stationery		(5,380)	(4,928)
Repairs and maintenance		(14,700)	(10,681)
Telephone and internet services		(11,630)	(13,697)
Loss on disposal of assets		(6)	(352)
Surplus / (deficit) for the year		<u><u>61,521</u></u>	<u>(137,376)</u>
Other comprehensive income			
Other comprehensive income for the year		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>61,521</u></u>	<u>(137,376)</u>

The accompanying notes form part of these financial statements.

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Statement of Financial Position

As At 31 December 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	308,217	24,566
Trade and other receivables	4	12,019	12,671
Inventories	5	18,377	18,627
Other financial assets	7	1,222,487	1,421,591
Other assets	6	16,526	8,899
TOTAL CURRENT ASSETS		1,577,626	1,486,354
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,403,553	1,438,999
TOTAL NON-CURRENT ASSETS		1,403,553	1,438,999
TOTAL ASSETS		2,981,179	2,925,353
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	14,630	17,051
Employee benefits	10	144,514	138,672
Other financial liabilities	11	133,435	142,551
TOTAL CURRENT LIABILITIES		292,579	298,274
TOTAL LIABILITIES		292,579	298,274
NET ASSETS		2,688,600	2,627,079
EQUITY			
Reserves		3,255	3,255
Retained earnings		2,685,345	2,623,824
TOTAL EQUITY		2,688,600	2,627,079

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 31 December 2016

2016

	Retained Earnings	Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2016	2,623,824	3,255	2,627,079
Surplus attributable to the entity	61,521	-	61,521
Total other comprehensive income for the year	-	-	-
Balance at 31 December 2016	2,685,345	3,255	2,688,600

2015

	Retained Earnings	Revaluation Reserve	Total
	\$	\$	\$
Balance at 1 January 2015	2,761,200	3,255	2,764,455
Deficit attributable to the entity	(137,376)	-	(137,376)
Total other comprehensive income for the year	-	-	-
Balance at 31 December 2015	2,623,824	3,255	2,627,079

The accompanying notes form part of these financial statements.

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Statement of Cash Flows

For the Year Ended 31 December 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Subscriptions and joining fees	256,528	266,100
Bequests and other operating inflows	151,180	129,531
Services revenue	66,964	52,233
Interest received	11,282	6,674
Dividends received	255,795	55,513
Payments to suppliers and employees	(609,017)	(578,788)
Net cash provided by (used in) operating activities	15 <u>132,732</u>	<u>(68,737)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of financial assets	824,426	53,852
Purchase of property, plant and equipment	(23,507)	(21,827)
Purchase of financial assets	(650,000)	-
Net cash used by investing activities	<u>150,919</u>	<u>32,025</u>
Net increase (decrease) in cash and cash equivalents held	283,651	(36,712)
Cash and cash equivalents at beginning of year	24,566	61,277
Cash and cash equivalents at end of financial year	3 <u>308,217</u>	<u>24,565</u>

The accompanying notes form part of these financial statements.

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Notes to the Financial Statements

For the Year Ended 31 December 2016

The financial statements are for Society of Australian Genealogists as a not-for-profit individual entity incorporated and domiciled in Australia. Society of Australian Genealogists is a company limited by guarantee.

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* and the the Australian Charities and Not-for-profits Commission Act 2012. Society of Australian Genealogists is a not-for-profit entity for the purpose of preparing the financial statements.

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.

(b) Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

(c) Income Tax

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

(d) Inventories

Inventories are measured at the lower of cost and net realisable value.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

(e) Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

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Notes to the Financial Statements

For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(e) Property, Plant and Equipment

Land and buildings

Land and buildings are measured at cost less any accumulated depreciation and any impairment losses.

Depreciation

The depreciable amount of all plant and equipment, excluding Library and Pictures is depreciated on a reducing balance method from the date that management determine that the asset is available for use. Library and Pictures are not depreciated as they have an unlimited useful life over which economic benefits should be obtained. Buildings are depreciated on a straight-line method. Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated depreciation and impairment losses.

Assets held under a finance lease and leasehold improvements are depreciated over the shorter of the term of the lease and the asset's useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Buildings	2.5% straight line
Furniture, Fixtures and Fittings	7.5%-40% reducing balance
Computer Software	33% straight line

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(f) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the company commits itself to either the purchase or sale of 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 either 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 in an arm's length transaction. Where available, quoted prices

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Notes to the Financial Statements

For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(f) Financial instruments

in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

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

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, 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 year.

(iii) Financial liabilities

Non-derivative financial liabilities are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

(g) Impairment of assets

At the end of each reporting period the company determines whether there is an indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg. in accordance with revalued model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(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) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits are presented as current liabilities in the statement of financial position if the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

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Notes to the Financial Statements

For the Year Ended 31 December 2016

1 Summary of Significant Accounting Policies

(j) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the entity and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

Revenue from sale of goods is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Subscriptions received from members are brought to account as income over the membership period to which the subscriptions relate. Subscriptions received in advance comprise subscriptions that were received in the current financial year but relate to membership services to be provided in the following financial year and will be brought to account as income in the following financial year.

Income included as non cash donations received has been calculated based on the insurance values placed on donations of books and materials to the Society's Library during the financial year as contained in the reports of Accessions prepared monthly by the Librarian.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method.

Revenue from the rendering of a service 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).

(k) 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. 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 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.

(l) Critical accounting estimates and judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

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Notes to the Financial Statements

For the Year Ended 31 December 2016

	2016	2015
	\$	\$
2 Revenue and Other Income		
Revenue from continuing operations		
Services		
- Bookshop	52,442	38,197
- FHL film service	1,026	1,503
- Photocopying and photos	3,160	3,926
- Research and retrievals	4,483	4,667
- UK Probate and BDM services	5,853	4,117
	<u>66,964</u>	<u>52,410</u>
Other revenue		
- Member subscriptions	264,291	265,930
- Bequests	1,175	439
- Donations - general	32,956	27,281
- Education - lectures	81,905	56,674
- Diploma and certificate course	30,001	25,642
- Joint copy project	-	8,323
- Royalties	2,320	7,972
- Journal	2,823	3,023
- Interest income	14,375	6,396
- Dividends and gains - MPPM and Deutshe	71,679	59,305
- Realised gains / (loss) on managed funds investments	(20,610)	(223)
- Unrealised gain on managed funds investments	(4,068)	3,951
- Dividend - Endowment & Memorial Trust Fund	179,837	2,315
	<u>656,684</u>	<u>467,028</u>
Total income	<u><u>723,648</u></u>	<u><u>519,438</u></u>

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Notes to the Financial Statements

For the Year Ended 31 December 2016

	2016	2015
	\$	\$
3 Cash and cash equivalents		
Cash on hand	1,600	1,600
Cash at bank	106,617	22,966
Short-term bank deposits	200,000	-
	<u>308,217</u>	<u>24,566</u>
4 Trade and other receivables		
CURRENT		
Trade receivables	1,445	2,799
Accrued interest on term deposits	3,161	68
ATO imputation credits receivable	5,525	9,804
GST receivable	1,888	-
Total current trade and other receivables	<u>12,019</u>	<u>12,671</u>
5 Inventories		
CURRENT		
At cost:		
Finished goods	18,377	18,627
	<u>18,377</u>	<u>18,627</u>
6 Other assets		
CURRENT		
Prepayments	3,329	8,899
Congress 2018	13,197	-
	<u>16,526</u>	<u>8,899</u>
7 Financial assets		
CURRENT		
Financial assets at fair value through profit or loss		
Managed funds with Macquarie Bank	672,487	697,395
Managed funds with DeutscheBank	-	724,196
Held-to-maturity financial assets (Deposit with Westpac Bank)	550,000	-
Total current assets	<u>1,222,487</u>	<u>1,421,591</u>

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Notes to the Financial Statements

For the Year Ended 31 December 2016

	2016	2015
	\$	\$
8 Property, plant and equipment		
Buildings		
At cost	1,336,168	1,336,168
Accumulated depreciation	<u>(342,495)</u>	<u>(309,099)</u>
Total buildings	<u>993,673</u>	<u>1,027,069</u>
Total land and buildings	<u>993,673</u>	<u>1,027,069</u>
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	337,078	318,278
Accumulated depreciation	<u>(275,717)</u>	<u>(257,327)</u>
Total furniture, fixtures and fittings	<u>61,361</u>	<u>60,951</u>
Computer software		
At cost	34,317	34,317
Accumulated depreciation	<u>(25,935)</u>	<u>(21,744)</u>
Total computer software	<u>8,382</u>	<u>12,573</u>
Improvements		
At cost	7,843	7,843
Accumulated depreciation	<u>(7,843)</u>	<u>(7,843)</u>
Total improvements	<u>-</u>	<u>-</u>
Library and pictures		
At independent valuation	<u>340,137</u>	<u>338,406</u>
Total library and pictures	<u>340,137</u>	<u>338,406</u>
Total plant and equipment	<u>409,880</u>	<u>411,930</u>
Total property, plant and equipment	<u>1,403,553</u>	<u>1,438,999</u>

In December 2013, the Society's Library was independently valued by Peter Tinslay, Valuer. The valuation was based on fair value.

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Notes to the Financial Statements For the Year Ended 31 December 2016

8 Property, plant and equipment

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings \$	Furniture, Fixtures and Fittings \$	Computer Software \$	Library and Pictures \$	Total \$
Year ended 31 December 2016					
Balance at the beginning of year	1,027,069	60,951	12,573	338,406	1,438,999
Additions	-	21,776	-	1,731	23,507
Disposals - written down value	-	(6)	-	-	(6)
Depreciation expense	(33,396)	(21,360)	(4,191)	-	(58,947)
Balance at the end of the year	993,673	61,361	8,382	340,137	1,403,553

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Notes to the Financial Statements

For the Year Ended 31 December 2016

	2016	2015
	\$	\$
9 Trade and other payables		
CURRENT		
Trade and other payables	9,448	12,267
GST payable	-	649
PAYG tax payable	5,182	4,135
	<u>14,630</u>	<u>17,051</u>
10 Employee Benefits		
Current liabilities		
Long service leave	78,767	80,679
Annual leave	65,747	57,993
	<u>144,514</u>	<u>138,672</u>
Provision for Employee Benefits		
Provision for employee benefits represents amounts accrued for annual leave and long service leave.		
The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.		
11 Income in Advance		
Subscriptions received in advance	133,435	142,551
	<u>133,435</u>	<u>142,551</u>

Society of Australian Genealogists

ACN 000 049 678

Notes to the Financial Statements

For the Year Ended 31 December 2016

2016	2015
\$	\$

12 Financial Risk Management

The company's financial instruments consist mainly of cash and cash equivalents, investments and 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	308,217	24,566
Managed funds with Macquarie Bank	672,487	697,395
Managed funds with Deutsche Bank	-	724,196
Held-to-maturity investments	550,000	-
Trade and other receivables	12,019	12,671
Total financial assets	1,542,723	1,458,828

Financial Liabilities

Financial liabilities at amortised cost		
Trade and other payables	14,804	17,051
Total financial liabilities	14,804	17,051

13 Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company 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 company.

14 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Directors

The names of Directors who have held office during the financial year are, Martyn Christopher Harold Killion, Carole Gillian Riley, Alison Margaret Wolf, John Leonard Burke, Ian James Johnson, Megan Martin, Michelle Nichols, Jeremy Palmer, Janette Louise Pelosi, Melissa Hulbert and Philip Young.

Directors' Remuneration

Income paid or payable by the company to the Directors and any related parties: \$Nil

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Notes to the Financial Statements

For the Year Ended 31 December 2016

	2016	2015
	\$	\$
15 Cash Flow Information		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	<u>308,217</u>	24,566
	<u>308,217</u>	<u>24,566</u>
(b) Reconciliation of result for the year to cashflows from operating activities		
Surplus / (deficit) for the year	61,521	(137,376)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in deficit:		
- depreciation	58,947	65,537
- net loss on disposal of property, plant and equipment	6	352
- (gains)/losses on investments	24,678	(3,728)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	4,427	(7,011)
- (increase)/decrease in prepayments	(7,627)	(8,899)
- (increase)/decrease in inventories	250	4,673
- increase/(decrease) in income in advance	(9,116)	1,352
- increase/(decrease) in trade and other payables	(6,196)	1,656
- increase/(decrease) in employee benefits	5,842	14,707
Cashflow from operations	<u>132,732</u>	<u>(68,737)</u>

16 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 company, the results of those operations or the state of affairs of the company in future financial years.

Society of Australian Genealogists

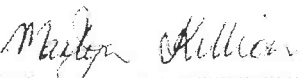
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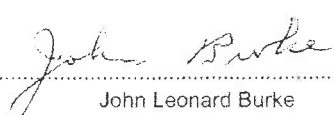
Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 21, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - a. comply with Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the financial position as at 31 December 2016 and of the performance for the year ended on that date of the company; and
 - c. comply with the requirements of the *Australian Charities and Not-for-profits Commission Regulation 2013*.
2. In the directors' opinion, there are reasonable grounds to believe that the company 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.

Director 
Martyn Christopher Harold Killion

Director 
John Leonard Burke

Dated this 15th day of February 2017

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF SOCIETY OF AUSTRALIAN GENEALOGISTS

Report on the Audit of the Financial Report

We have audited the financial report of Society of Australian Genealogists, which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Society of Australian Genealogists has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 31 December 2016 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1, and Division 60 *the Australian Charities and Not-for-profits Commission Regulation 2013*.

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 registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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

Those charged with governance are responsible for the other information. The other information comprises the information included in the registered entity's annual report for the year ended 31 December 2016, 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.

Responsibility of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the directors

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determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the registered entity'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 the directors either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so. Those directors are responsible for overseeing the registered entity'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 the financial report.

As part of an audit in accordance with 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 registered entity's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 registered entity'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 registered entity 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 those charged with governance 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 our audit.

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John Wilcox

Partner

Dated this 15th day of February 2017