

FINANCIAL OVERVIEW

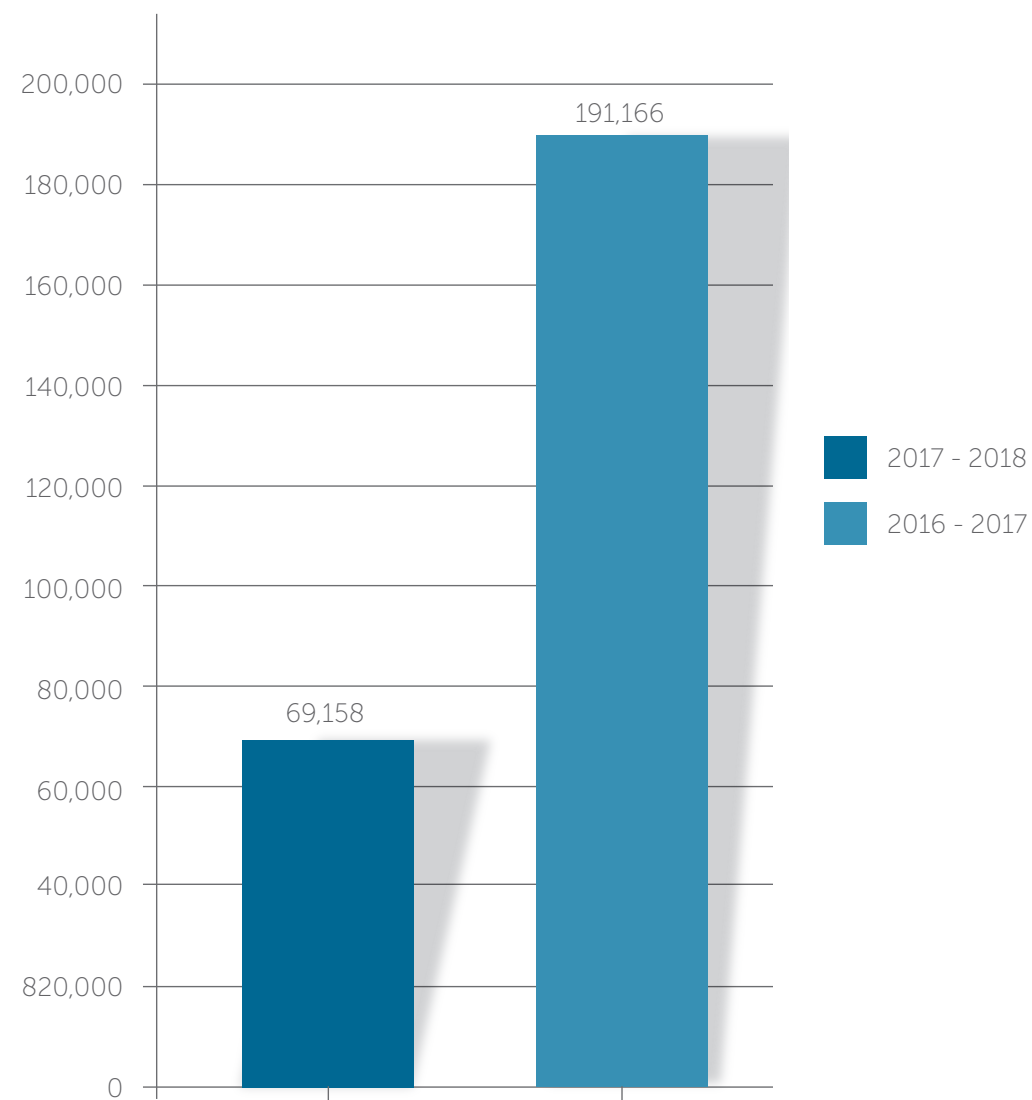
The EIANZ maintained a strong and steady financial position throughout 2017/8, ending the year with a surplus of \$69,158. It also improved its equity position to \$801,862, an increase of \$69,158 from the end of 2017. Maintaining a stable financial position has allowed targeted investment to provide better member services. In particular we have increased staff numbers in Central Office, and distributed New Initiative Funds to support seminars, student events and publications.

CHANGE OF ACCOUNTING POLICY IN RECOGNISING REVENUE

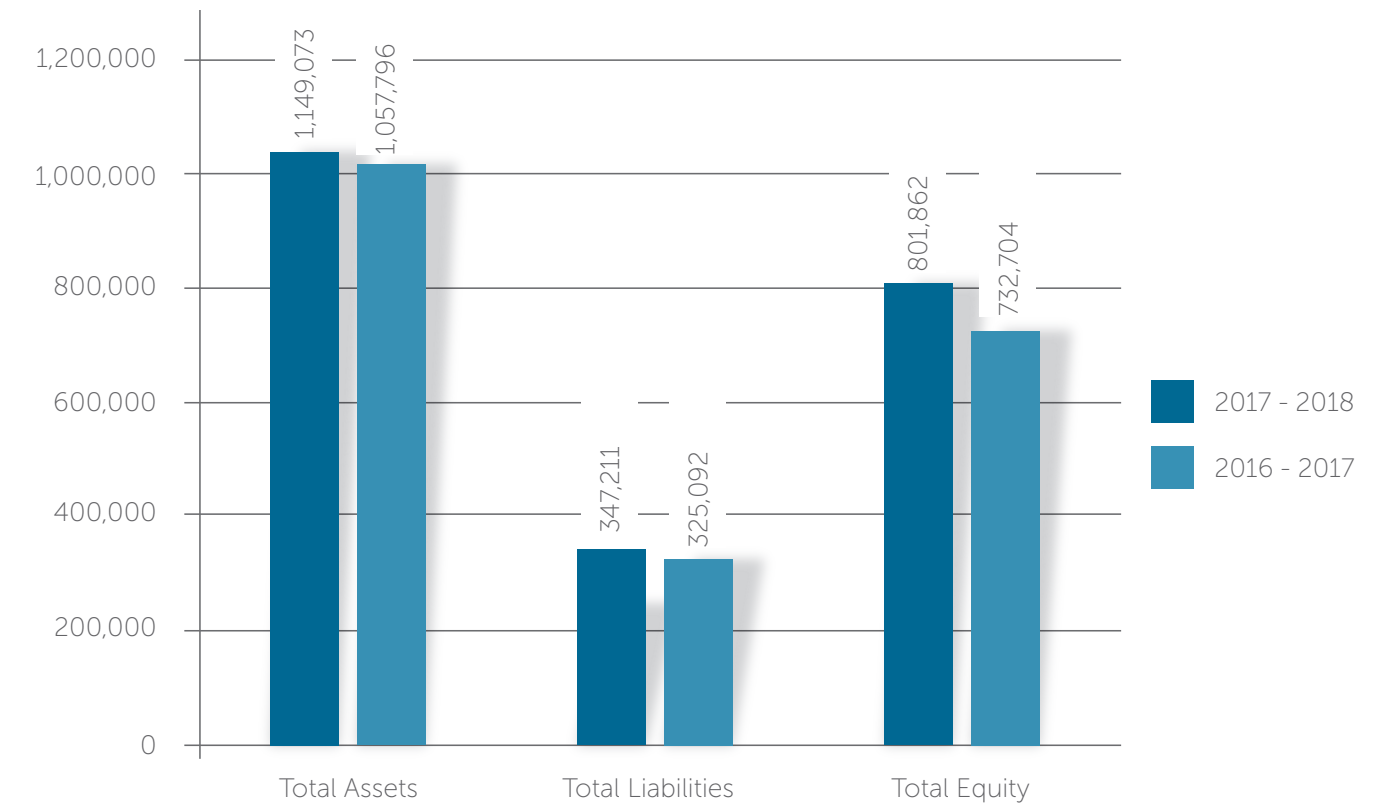
Previously the Institute has accounted for its CEnvP registration revenue on a cash basis. As the annual registration fee covers the calendar year it has been resolved to treat the percentage of the registration fee that relates to the period after 30 June as unearned income. This treatment is consistent with the recognition of revenue from membership subscriptions. As a result of the adoption of this new policy the figures for the 2017 financial year have required amendment and restatement (Refer Note 21).

This accounting change alters the reported 2017 figures in last year's annual report in relation to reported revenue and equity. The 2017 figures in the 2018 Annual Report reflect the changes in the accounting policy.

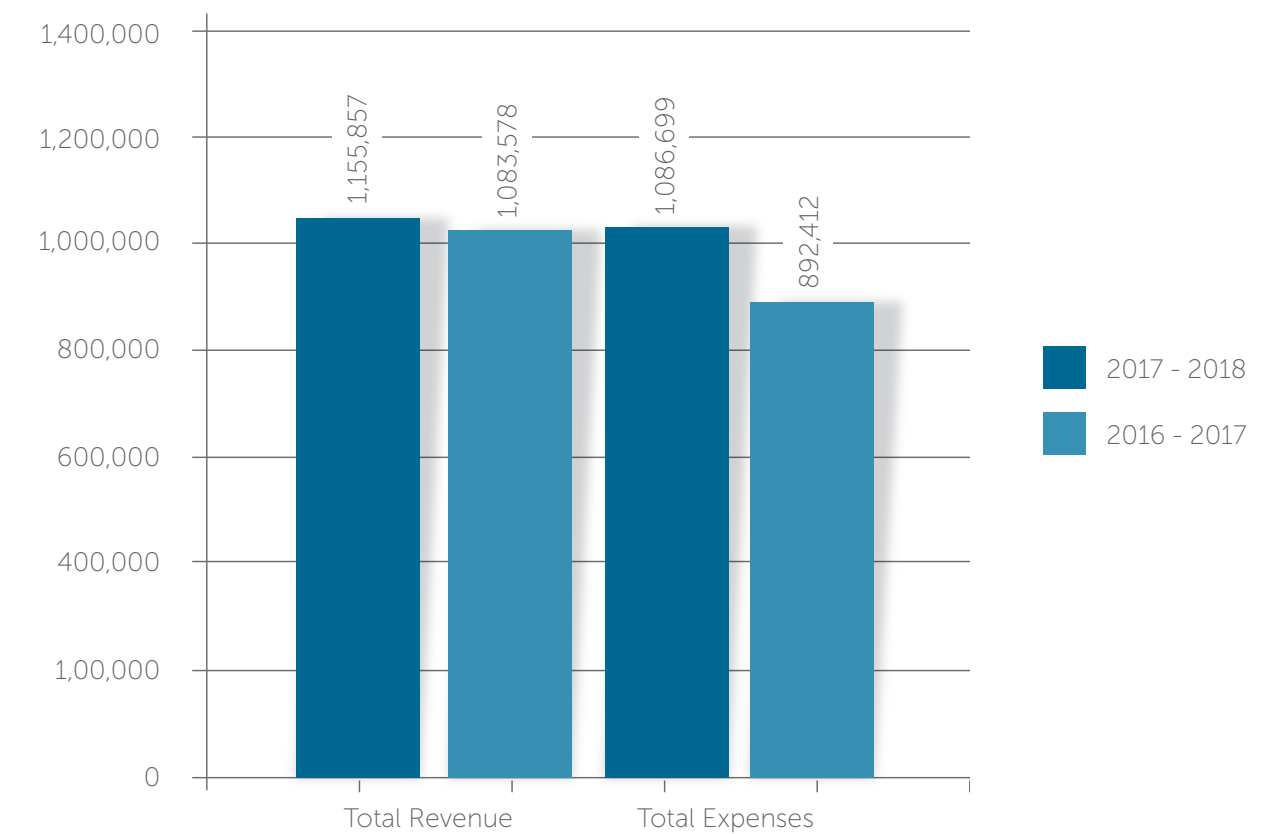
SURPLUS BY FINANCIAL YEAR



CHANGES IN ASSETS, LIABILITIES AND EQUITY



CHANGES IN REVENUE AND EXPENSES



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
Revenue	2	1,155,857	1,083,578
Employee provision expenses		(478,706)	(371,305)
Depreciation and amortisation expenses	3	(8,946)	(6,888)
Event & Seminar expenses	3	(263,441)	(245,357)
Publications and information resource expenses	3	(19,087)	(26,720)
Other expenses	3	(316,519)	(242,142)
Current year surplus/(deficit) before income tax		69,158	191,166
Income tax expense		-	-
Net current year surplus/(deficit)		69,158	191,166
Total comprehensive income for the year, net of tax		69,158	191,166
Total comprehensive income attributable to members of the entity		69,158	191,166

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash on hand and deposits	5	1,035,289	883,039
Accounts receivable and other debtors	6	44,703	106,711
Other current assets	7	52,297	46,290
TOTAL CURRENT ASSETS		1,132,289	1,036,040
NON-CURRENT ASSETS			
Property, plant and equipment	8	8,698	10,014
Website		8,086	11,742
TOTAL NON-CURRENT ASSETS		16,784	21,756
TOTAL ASSETS		1,149,073	1,057,796
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9	123,835	114,094
Revenue received in advance	10	223,376	210,998
TOTAL CURRENT LIABILITIES		347,211	325,092
TOTAL LIABILITIES		347,211	325,092
NET ASSETS		801,862	732,704
EQUITY			
Retained surplus		801,862	732,704
TOTAL EQUITY		801,862	732,704

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Retained Surplus	Total
	\$	\$
Balance at 1 July 2016	541,538	541,538
Comprehensive income		
Net surplus for the year	191,166	191,166
Balance at 30 June 2017	732,704	732,704
Balance at 1 July 2017	732,704	732,704
Comprehensive income		
Net surplus for the year	69,158	69,158
Balance at 30 June 2018	801,862	801,862

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,230,243	1,020,032
Payments to suppliers and employees		(1,078,858)	(921,088))
Interest received		4,840	6,134
Net cash provided by operating activities	11	156,225	105,078
CASH FLOWS FROM INVESTING ACTIVITIES			
Consolidation of CEnvP			
Purchase of property, plant and equipment		(3,975)	(4,098)
Net cash used in investing activities		(3,975))	(4,098)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase/(decrease) in cash held		152,250	100,980
Cash on hand at beginning of financial year		883,039	782,059
Cash on hand at end of financial year	5	1,035,289	883,039

NOTE 2: REVENUE AND OTHER INCOME	2018	2017
	\$	\$
Revenue		
- membership subscriptions – EIANZ - AU	423,538	412,828
- membership subscriptions – EIANZ - NZ	41,447	59,209
- membership subscriptions - CEnvP	235,842	211,491
- conference and seminars	270,835	268,254
- journal	21,479	20,708
- interest received – EIANZ - AU	2,855	3,732
- interest received – EIANZ - NZ	954	1,386
- interest received - CEnvP	1,031	1,016
- other	164,844	106,480
- foreign currency gain / (loss)	(6,968)	(1,526)
Total revenue	1,155,857	1,083,578

NOTE: EIANZ Membership subscriptions reflect where monies were received (ie in AU or NZ) and not necessarily where members are based.

NOTE 3: SURPLUS FOR THE YEAR	2018	2017
	\$	\$
a Expenses		
Depreciation:		
- property, plant and equipment, website	8,946	6,888
Employee provisions	478,706	371,305
Seminar expense	263,441	245,357
Publication expense	19,087	26,720
Rental premises	41,025	33,595

NOTE 5: CASH ON HAND	Note	2018	2017
		\$	\$
CASH AT BANK – UNRESTRICTED		977,760	829,223
Deposits at call		51,400	52,689
Cash on hand		6,129	1,127
	12	<u>1,035,289</u>	<u>883,039</u>

NOTE 6: ACCOUNTS RECEIVABLE AND OTHER DEBTORS	Note	2018	2017
		\$	\$
CURRENT			
Trade receivables		44,703	106,711
Total current accounts receivable and other debtors	12	<u>44,703</u>	<u>106,711</u>

NOTE: No impairment of the above was required at 30 June 2018 (2017 \$NIL)

NOTE 7: OTHER CURRENT ASSETS	2018	2017
	\$	\$
Prepayments	45,920	39,892
Other assets	6,377	6,398
	<u>52,297</u>	<u>46,290</u>

NOTE 8: PROPERTY, PLANT AND EQUIPMENT	2018	2017
	\$	\$
Property, plant and equipment:		
At cost	91,906	87,931
Accumulated depreciation	(75,122)	(66,175)
Total property, plant and equipment	<u>16,784</u>	<u>21,756</u>

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 and previous financial years

NOTE 8 PROPERTY, PLANT AND EQUIPMENT

	Property plant and equipment	Total
	\$	\$
Balance at 1 July 2016	24,546	24,546
Additions	4,098	4,098
Disposals	-	-
Depreciation expense	(6,888)	(6,888)
Balance at 30 June 2017	<u>21,756</u>	<u>21,756</u>
Additions	3,975	3,975
Disposals	-	-
Depreciation expense	(8,946)	(8,946)
Carrying amount at 30 June 2018	<u>16,784</u>	<u>16,784</u>

NOTE 9: ACCOUNTS PAYABLE AND OTHER PAYABLES	2018	2017
	\$	\$
CURRENT		
Unsecured liabilities:		
Accounts payable	63,830	63,830
Employee provisions	13,467	18,932
Sundry payables	46,538	31,332
	<u>123,835</u>	<u>114,094</u>

NOTE 10: REVENUE RECEIVED IN ADVANCE	2018	2017
	\$	\$
CURRENT		
Revenue received in advance - EIANZ	109,360	138,764
Revenue received in advance - CEnvP	114,016	72,234
Total revenue received in advance	<u>223,376</u>	<u>210,998</u>

NOTE 11: CASH FLOW INFORMATION

	2018	2017
	\$	\$
RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES WITH NET CURRENT YEAR SURPLUS		
Current year surplus after income tax	69,158	191,166
Cash flows excluded from current year surplus		
Non-cash flows in current year surplus		
– depreciation expense	8,947	6,888
– net gain on disposal of property, plant and equipment	-	-
Changes in assets and liabilities:		
– (increase)/decrease in accounts receivable, other receivables	62,008	(76,562)
– decrease in prepayments	(6,007)	-
– increase/(decrease) in accounts payable and other payables	22,119	(16,414)
	156,225	105,078

NOTE 21: REVISED MEMBERS FUNDS AND SURPLUS

The financial performance of the Certified Environmental Practitioner Scheme has previously been reported on a cash basis. This year the association has changed its accounting policy for this division so that registration fees received are brought to account as income in the period to which they relate. This has resulted in an increase of unearned income from that previously reported – as set out below.

Members fund brought forward 1 July 2016 as previously reported	623,701
Less unearned income on CEnvP registrations as at 1 July 2016	82,163
Revised members funds as at 1 July 2016	541,538
<u>Plus</u>	
Net surplus previously reported for 2017 year	181,237
Plus unearned income 1 July 2016	82,163
Less unearned income 30 June 2017	(72,234)
	191,166
Revised members funds 2017	732,704
Plus surplus for year ended 30 June 2017	69,158
Revised Members Funds 30 June 2018	801,862

NOTE 22: PERFORMANCE BY DIVISION

The figures in Note 22 represent the performance by division. Table 1 profit and loss summary presents both a consolidated and deconsolidated result. The result tab presents the membership inclusive result whilst the consolidated net position tab eliminates the inter division transfers to present a consolidated position. Table 2 balance sheet summary presents actuals within the Net Assets tab which is inclusive of inter-entity balance sheet accounts. The consolidated net position presents performance by division after all inter-entity balance sheet items have been removed.

TABLE 1 – PROFIT AND LOSS SUMMARY

	Revenue	Expenses	Result	Consolidation Eliminations	Consolidated Net Position
Central Office	645,965	617,200	28,765	6,921	35,686
FNQ	2,528	4,609	(2,081)	(1,747)	(3,828)
SEQ	32,252	60,024	(27,772)	(7,716)	(35,488)
NSW	30,549	32,962	(2,413)	(5,753)	(8,166)
VIC	145,387	86,061	59,326	(8,078)	51,248
SA	4,077	4,062	15	(1,655)	(1,640)
WA	38,005	29,923	8,082	(3,065)	5,017
TAS	4,718	663	4,055	(4,573)	(518)
ACT	10,510	11,347	(837)	(2,030)	(2,867)
NT	978	1,084	(106)	(978)	(1,084)
NZ	79,637	50,965	28,672	28,674	57,346
CEnvP	236,634	263,182	(26,548)	-	(26,548)
TOTAL	1,231,240	1,162,082	69,158	-	69,158

TABLE 2 - BALANCE SHEET SUMMARY

	Assets	Liabilities	Net Assets	Consolidation Eliminations	Consolidated Net Position	Cash on Hand
Central Office	388,260	143,955	245,535	1,932	247,467	289,371
FNQ	8,366	88	8,278	(46)	8,232	8,186
SEQ	32,234	(412)	32,646	(2,070)	30,576	30,044
NSW	174,503	30,963	143,540	(2,188)	141,352	172,315
VIC	137,159	45,530	91,629	(1,513)	90,116	121,496
SA	9,834	(23)	9,857	(298)	9,559	9,536
WA	41,687	4,006	37,681	(10,483)	27,198	31,204
TAS	29,788	0	29,788	(54)	29,734	29,734
ACT	11,226	1,602	9,624	(294)	9,330	9,255
NT	25,062	(20)	25,082	(30)	25,052	25,032
NZ	98,204	13,779	84,425	13,778	98,203	97,018
CEnvP	224,311	140,534	83,777	1,266	85,043	212,098
TOTAL	1,080,634	380,002	801,862	-	801,862	1,035,289

As disclosed in Note 21 this year the Institute has changed its method of recording income on its CEnvP registrations. The effect on CEnvP's financial results for the year as follows:

	Old Method	New Method
2017 Net Profit for the Year	36,081	46,009
2018 Net Profit (Loss) for the Year	15,234	(26,548)