

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

Financial Report for the Year Ended 30 June 2020

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

**Financial Statements
For the Year Ended 30 June 2020**

LIST OF CONTENTS

- Committee Report	Page 3
- Statement of Comprehensive Income	Page 4
- Statement of Financial Position	Page 5
- Statement of Changes in Equity	Page 6
- Statement of Cash Flows	Page 7
- Notes to the Financial Statements	Page 8
- Certificate by Members of the Board	Page 20
- Auditor's Report	Page 21
- Income and Expenditure Statement	Page 23
- External Accountants Compilation Report	Page 24

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

BOARD REPORT

Your Board members present this report on the Institute for the financial year ended 30 June 2020.

The principal activities of the Institute during the financial year were to:

- Facilitate interactions between environmental professionals and the community in the advancement of environmental conservation and management
- Promote community and professional understanding and knowledge of good practice environment management standards
- Advance ethical and competent good practice environmental management by environmental professionals.

INFORMATION ON THE BOARD – MEMBERS

Information on the Board – from July 2019	
Bryan Jenkins (from July 2019)	President
Vicki Brady (from July 2019)	Vice President (Australia)
Di Buchan (to November 2019)	Vice President (New Zealand)
Isobel Oldfield (from November 2019)	Vice President (New Zealand)
Elizabeth Stark (from July 2019)	Treasurer
Paul Keighley (to November 2019)	Secretary
Mark Breidfuss (from November 2019)	Secretary (Ordinary Member to November 2019)
David Johnson (to November 2019)	Ordinary Member
Alan Chenoweth (from November 2019)	Ordinary Member
Daniel Lim (from November 2019)	Ordinary Member
Meetings of the Board	Number attended
Bryan Jenkins	8
Vicki Brady	7
Di Buchan	3
Isobel Oldfield	6 (one as observer)
Elizabeth Stark	8

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

Paul Keighley	3
Mark Breidfuss	7
David Johnson	3
Alan Chenoweth	6 (one as observer)
Daniel Lim	4

Signed:



Bryan Jenkins
President

Date:

19 October 2020

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020 \$	2019 \$
Revenue	2	1,455,003	1,166,524
Employee provision expenses	3	(571,543)	(519,630)
Depreciation and amortisation expenses	3	(7,741)	(7,841)
Event & Seminar expenses	3	(281,347)	(180,603)
Journal costs	3	(16,758)	(26,383)
Other expenses		(278,516)	(345,338)
Current year surplus/(deficit) before income tax		299,098	86,729
Income tax expense		9,425	-
Net current year surplus/(deficit)		289,673	86,729
Total comprehensive income for the year, net of tax		289,673	86,729
Total comprehensive income attributable to members of the entity		289,673	86,729

The accompanying notes form part of these financial statements.

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash on hand and deposits	5,12	1,497,057	1,303,766
Accounts receivable and other debtors	6,12	200,832	223,781
Other current assets	7	18,093	36,414
TOTAL CURRENT ASSETS		1,715,982	1,563,961
NON-CURRENT ASSETS			
Property, plant and equipment	8	17,909	14,610
Website	8	4,548	6,064
TOTAL NON-CURRENT ASSETS		22,457	20,674
TOTAL ASSETS		1,738,439	1,584,635
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and other payables	9,12	78,718	182,614
Employee Leave Provisions	13	23,559	13,919
Revenue received in advance	10	450,116	499,511
Provision for Income Tax		7,782	-
TOTAL CURRENT LIABILITIES		560,175	696,044
TOTAL LIABILITIES		560,175	696,044
NET ASSETS		1,178,264	888,591
EQUITY			
Retained surplus		1,178,264	888,591
TOTAL EQUITY		1,178,264	888,591

The accompanying notes form part of these financial statements.

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

	Retained Surplus \$	Total \$
Balance at 1 July 2018	801,862	801,862
Comprehensive income		
Net surplus for the year (2018-19)	86,729	86,729
Balance at 30 June 2019	888,591	888,591
Balance at 1 July 2019	888,591	888,591
Comprehensive Income		
Net surplus for the year (2019-20)	289,673	289,673
Balance at 30 June 2020	1,178,264	1,178,264

The accompanying notes form part of these financial statements.

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	Note	2020	2019
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and events		1,433,476	1,259,422
Payments to suppliers and employees	3	(1,233,223)	(983,373)
Interest received		2,562	4,159
Net cash provided by operating activities	11	202,815	280,208
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(9,524)	(11,731)
Net cash used in investing activities		(9,524)	(11,731)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net increase/(decrease) in cash held		193,291	268,477
Cash on hand at beginning of financial year		1,303,766	1,035,289
Cash on hand at end of financial year	5	1,497,057	1,303,766

The accompanying notes form part of these financial statements.

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

The general purpose financial statements cover the Environment Institute of Australia and New Zealand Inc. as a single entity, including the financial operations of the Certified Environmental Practitioner Scheme (CEnvP) which were previously deconsolidated from the financial statements.

The Environment Institute of Australia and New Zealand Inc. is an incorporated association under the *Associations Incorporation Reform Act 2012* (Vic). It operates within the terms of the EIANZ Rules of Association and By-Laws that establish the Australian and New Zealand Chapters, Divisions, Special Interest Sections and the Certified Environmental Practitioner Scheme. The financial operations of the Australian Chapter Divisions and the New Zealand Chapter, the Special Interest Sections and the Certified Environmental Practitioner Scheme are consolidated in these financial statements.

The Environment Institute of Australia and New Zealand Inc. was registered under the *Corporations Act 2001* (Cwth) as a Registrable Australian Body on the 25 November 2014, allowing it to operate under the provisions of its Victorian incorporation in all Australian jurisdictions. The Institute sought registration under the *Companies Act 1993* (NZ) as a body corporate incorporated in Australia and carrying on business in New Zealand, which was granted on the 8 July 2016.

On 17 September 2016, at a duly constituted Special General Meeting, a resolution of the members of the Environment Institute of Australia and New Zealand Inc. was passed which had the effect of replacing the existing Rules of Association with new Rules of Association that comply with the *Associations Incorporation Reform Act 2012* (Vic). The new EIANZ Rules of Association were approved by the Victorian Department of Justice with effect from 30 September 2016.

These financial statements were authorised for issue on 19 October 2020 by the members of the Board.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Charities and Not-for-profits Commission Act 2012 and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The EIANZ is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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. Income Tax

The EIANZ's profits in Australia are exempt from income tax under Section 50-45 of the *Income Tax Assessment Act 1997*. The EIANZ operations in New Zealand are subject to the taxation laws of that country and any profits are subject to income tax.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

b. **Property, Plant and Equipment**

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

Plant and equipment

Plant and equipment is measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (d) for details of impairment).

The cost of fixed assets constructed by the EIANZ includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the EIANZ and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Leasehold improvements	20%
Website Development	25%
Leased plant and equipment	35%
Office equipment	35%

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 net proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

c. **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 Institute commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest 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.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over 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 amount with a consequential recognition of income or expense in profit or loss.

The EI/ANZ does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) *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.

(ii) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost.

Impairment

At the end of each reporting period, the Institute 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 instrument is considered to determine whether an impairment has arisen. Impairment losses are immediately recognised in the profit and loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires 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 have expired. The difference between the carrying amount of the financial liability 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

d. **Impairment of Assets**

At the end of each reporting period, the EIANZ assesses whether there is any indication that an asset may be impaired. The assessment will consider both external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of that asset, being the higher of the asset's fair value less costs to sell and its value-in-use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is immediately recognised in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Institute estimates the recoverable amount of the cash-generating unit to which the asset belongs.

e. **Employee Benefits**

Provision is made for the EIANZ's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits (other than termination 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.

Contributions are made by the EIANZ to an employee superannuation fund and are charged as expenses when incurred.

The EIANZ's obligations for short term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position.

f. **Cash and Cash Equivalents**

Cash and cash equivalents includes 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. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

g. **Revenue and Other Income**

Revenue is measured at the fair value of the consideration received or receivables after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

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

Revenue from the provision of membership subscriptions and conference is recognised on a straight-line basis over the financial year.

Change of Accounting Policy in recognising revenue

Prior to the 2018 financial year the Institute had accounted for its CEnvP registration revenue on a cash basis. From 1 July 2017 the institute has treated 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.

All revenue is stated net of the amount of goods and services tax.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

h. **Goods and Services Tax (GST)**

Australian 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). The EIANZ New Zealand operations are not registered for GST because they are below the threshold level for registration.

Australian receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The Australian GST components of cash flows arising from investing or financing activities which are recoverable from, or payable, to the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

i. **Comparative Figures**

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

Where the EIANZ retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

j. **Accounts Payable and Other Payables**

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

k. **Critical Accounting Estimates and Judgements**

The EIANZ Board evaluates estimates and judgements 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

(i) *Impairment*

The EIANZ assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the organisation that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions

	2020	2019
	\$	\$
NOTE 2: REVENUE AND OTHER INCOME		
Revenue:		
– Membership subscriptions – EIANZ - AU	454,528	473,253
– Membership subscriptions – EIANZ - NZ	50,913	59,007
– Certification fees - CEnvP	313,804	273,749
– Conference and seminars	417,803	212,432
– Journal	23,072	22,283
– Interest received – EIANZ - AU	1,390	2,204
– Interest received – EIANZ - NZ	805	1,118

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

- Interest received - CEnvP	366	837
- Other income	102,361	126,115
- Government Grants	93,274	-
- Foreign currency gain / (loss)	(3,313)	(4,474)
Total revenue	<u>1,455,003</u>	<u>1,166,524</u>

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

NOTE 3: MAJOR EXPENSES FOR THE YEAR

	2020	2019
	\$	\$
a. Expenses		
Depreciation:		
- property, plant and equipment, website	7,741	7,841
Employee wages and superannuation	559,470	514,053
Event and seminar expense	281,347	180,603
Journal Costs	16,758	26,383
Rental premises	42,345	38,858

	2020	2019
	\$	\$

NOTE 4: AUDITORS' FEES

Remuneration of the auditor of the association for:

- Auditing or reviewing the financial report	16,000	14,500
- Taxation services	-	-
- Due diligence services	-	-
- Taxation services provided by an associated entity of the auditor	-	-
	<u>16,000</u>	<u>14,500</u>

NOTE 5: CASH ON HAND

	Note	2020	2019
		\$	\$
Cash at bank – unrestricted		1,427,523	1,240,265
Term Deposits		52,903	53,407
Cash on hand/In Transit		<u>16,631</u>	<u>10,094</u>
	12	<u>1,497,057</u>	<u>1,303,766</u>

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

	Note	2020	2019
NOTE 6: ACCOUNTS RECEIVABLE AND OTHER DEBTORS		\$	\$
CURRENT			
Trade receivables		199,742	223,781
Other debtors		1,090	-
Total current accounts receivable and other debtors	12	<u>200,832</u>	<u>223,781</u>

Note: No impairment of the above was required at 30 June 2020 (2019 \$Nil)

NOTE 7: OTHER CURRENT ASSETS	2020	2019
	\$	\$
Prepaid expenses (amounts paid in advance for goods and services to be received in the next financial year)	12,630	30,803
Other assets	5,463	5,611
	<u>18,093</u>	<u>36,414</u>

NOTE 8: PROPERTY, PLANT AND EQUIPMENT	2020	2019
	\$	\$
Property, plant and equipment:		
At cost	113,160	103,636
Accumulated depreciation	(90,703)	(82,962)
Total property, plant and equipment (including website)	<u>22,457</u>	<u>20,674</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.

		Property, Plant and Equipment	Total
		\$	\$
Balance at 1 July 2018		16,784	16,784
+ Additions	2018-19	11,731	11,731
- Disposals	"	-	-
- Depreciation expense	"	(7,841)	(7,841)
Balance at 30 June 2019		<u>20,674</u>	<u>20,674</u>
+ Additions	2019-20	9,524	9,524
- Disposals	"	-	-
- Depreciation expense	"	(7,741)	(7,741)
Carrying amount at 30 June 2020		<u>22,457</u>	<u>22,457</u>

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

NOTE 9: ACCOUNTS PAYABLE AND OTHER PAYABLES	2020	2019
	\$	\$
CURRENT		
Unsecured liabilities:		
Accounts payable	35,533	52,468
Sundry payables	43,185	130,146
	<u>78,718</u>	<u>182,614</u>

NOTE 10: REVENUE RECEIVED IN ADVANCE	2020	2019
	\$	\$
CURRENT		
Revenue in advance (amounts received for membership renewals, certification renewals, and event takings not due until the next financial year)		
- Membership renewals and events in advance - EIANZ	148,299	245,447
- Certification renewals in advance – CEnvP	301,817	254,064
Total revenue received in advance	<u>450,116</u>	<u>499,511</u>

NOTE 11: CASH FLOW INFORMATION	2020	2019
	\$	\$
Reconciliation of cash flow from operating activities with net current year surplus		
Current year surplus after income tax	289,673	86,729
Cash flows excluded from current year surplus		
Non-cash flows in current year surplus:		
- depreciation expense	7,741	7,841
- movement in leave and income tax provisions	17,422	452
Changes in assets and liabilities:		
- (increase)/decrease in receivables	22,949	(179,078)
- decrease in other current assets	18,321	15,883
- increase/(decrease) in accounts payable and other payables	(103,896)	72,246
- Increase/(decrease) in revenue in advance	(49,395)	276,135
	<u>202,815</u>	<u>280,208</u>

NOTE 12: FINANCIAL RISK MANAGEMENT

The EIANZ's financial instruments consist mainly of deposits with banks, local money market instruments, investments in listed shares, receivables and payables, and lease liabilities.

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

NOTE 12: FINANCIAL RISK MANAGEMENT

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:

	Note	2020 \$	2019 \$
Financial assets			
Cash and cash equivalents	5	1,497,057	1,303,766
Loans and receivables	6	200,832	223,781
Total financial assets		<u>1,697,889</u>	<u>1,527,547</u>
Financial liabilities			
Financial liabilities at amortised cost:			
– accounts payable and sundry payables	9	78,718	182,614
Total financial liabilities		<u>78,718</u>	<u>182,614</u>

NOTE 13: EMPLOYEE PROVISIONS

Analysis of Employee Provisions – Annual Leave Entitlements	\$
Opening balance at 1 July 2019	13,919
Additional provisions	29,294
Amounts used	<u>(19,654)</u>
Balance at 30 June 2020	<u>23,559</u>

Employee Provisions – Annual Leave Entitlements

The provision for employee benefits represents amounts accrued for annual leave.

Based on past experience, the EIANZ does not expect the full amount of annual leave to be settled wholly within the next 12 months. However, the amount must be classified as a current liability because the organisation does not have an unconditional right to defer the settlement of the amount in the event employees wish to use their leave entitlements.

NOTE 14: LEASE LIABILITIES

The EIANZ entered into a 5-year lease on June 1, 2017 with Fraser Campbell Hopkins, Dean Richard Gosper, & J K Hopkins Pty Ltd of 415 Riversdale Road, Hawthorn East, VIC 3123 to occupy the premises at Suite 3, 255 Whitehorse Road, Balwyn, VIC 3103 for a period of 5 years. Year 4 rental is \$30,279 plus GST with annual rental review of 3.5%. A separate licence to occupy exists for a single car parking bay at a cost of \$1,796 PA plus GST with an annual rental review of 3.5%. Note that estimated outgoings of \$9,224 per annum are in addition to these costs. The Institute is currently receiving rent relief in the form of 15% rent waiver and 15% rent deferral. At this date the relief will last to 30 September 2020.

NOTE 15: SEGMENT REPORTING

The EIANZ operates in Australia and New Zealand. New Zealand operations are not considered material for separate disclosure.

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

NOTE 16: CHAPTERS AND DIVISIONS

The EIANZ maintains its presence in Australia and New Zealand through a network of Chapters and Divisions. The EIANZ CEnvP Scheme is operated at arm's length by the independent Certification Board. The following is a list of the organisational units, the financial operations of which are consolidated in these financial statements:

- Environment Institute of Australia and New Zealand (FNQ)
- Environment Institute of Australia and New Zealand (SEQ)
- Environment Institute of Australia and New Zealand (NSW)
- Environment Institute of Australia and New Zealand (VIC)
- Environment Institute of Australia and New Zealand (SA)
- Environment Institute of Australia and New Zealand (WA)
- Environment Institute of Australia and New Zealand (TAS)
- Environment Institute of Australia and New Zealand (ACT)
- Environment Institute of Australia and New Zealand (NT)
- Environment Institute of Australia and New Zealand (NZ)
- Environment Institute of Australia and New Zealand (CEnvP Scheme)

Note: The parent body is "The Environment Institute of Australia and New Zealand Inc."

ABN: 39 364 288 752

NZBN: 9429041314777

NOTE 17: CONTINGENCIES AND COMMITMENTS

There are no contingencies or commitments that require disclosure within the financial statements.

NOTE 18: MEMBERS

At 30 June 2020, the number of financial members was 1,961 (2019: 1,862)

NOTE 19: ASSOCIATED ENTITIES

The financial performance of the Certified Environmental Practitioner Scheme has previously been reported as an un-audited note to the annual financial statements of the EIANZ. For the financial year ended 30 June 2017 and onwards, the financial performance of the Scheme has been consolidated with the financial statements of the EIANZ, in order to present an accurate picture of the trading position of the EIANZ, as an entity.

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

NOTE 20: PERFORMANCE BY DIVISION

The figures in note 20 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	794,763	616,237	178,526	4,045	182,571
FNQ	(504)	-	(504)	(1,249)	(1,753)
SEQ	40,215	49,818	(9,603)	(5,585)	(15,188)
NSW	8,659	9,444	(785)	(5,334)	(6,119)
VIC	214,084	181,185	32,899	25,990	58,889
SA	9,338	2,012	7,326	(7,776)	(450)
WA	11,788	13,925	(2,137)	(5,023)	(7,160)
TAS	3,584	4,614	(1,030)	(1,282)	(2,312)
ACT	31,585	564	31,021	(31,344)	(323)
NT	482	1,313	(831)	(482)	(1,313)
NZ	28,251	24,250	4,001	28,040	32,041
CEnvP	347,072	296,282	50,790		50,790
TOTAL	1,489,317	1,199,644	289,673	-	289,673

TABLE 2 - BALANCE SHEET SUMMARY

	Assets	Liabilities	Net Assets	Consolidation Eliminations	Consolidated Net Position	Cash on Hand
Central Office	602,318	156,506	445,812	(6,491)	439,321	534,451
FNQ	10,066	31	10,035		10,035	10,066
SEQ	14,729	9,428	5,301	(1,401)	3,900	13,328
NSW	171,228	1	171,227	(1,783)	169,444	169,445
VIC	167,346	38,209	129,137	258	129,395	167,604
SA	17,568	101	17,467	(1,030)	16,437	16,537
WA	46,724	10	46,714	(606)	46,108	46,118
TAS	26,753	(29)	26,782	(330)	26,452	26,424
ACT	46,938	3,060	43,878	439	44,317	47,377
NT	22,891	(1)	22,892	(51)	22,841	22,840
NZ	127,221	20,207	107,014	10,995	118,009	127,430
CEnvP	495,651	343,646	152,005		152,005	315,437
TOTAL	1,749,433	571,169	1,178,264	-	1,178,264	1,497,057

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

NOTE 21: INSTITUTE DETAILS

The registered office of the Institute is:

Suite 3, 255 Whitehorse Road

Balwyn VIC 3103

The principal place of business is:

Suite 3, 255 Whitehorse Road

Balwyn VIC 3103

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

**ANNUAL STATEMENTS GIVE TRUE AND FAIR VIEW OF FINANCIAL POSITION AND PERFORMANCE OF
INCORPORATED ASSOCIATION**

We, Bryan Jenkins and Elizabeth Stark, being members of the Board of The Environment Institute of Australia and New Zealand Inc. certify that

- the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012;
 - the attached financial statements and notes thereto comply with Australian Accounting Standards;
 - the attached financial statements and notes thereto give a true and fair view of the financial position of the association as at 30 June 2020 and of its performance for the year ended on that date;
- and
- there are reasonable grounds to believe that the association will be able to pay its debts as become due and payable.

This declaration is signed in accordance with subs 60.15(2) of the Australian Charities and Not-for-Profits Commission Regulation 2013



.....
Bryan Jenkins
President



.....
Elizabeth Stark
Treasurer

Date: 19 October 2020
Melbourne

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
ENVIRONMENT INSTITUTE OF AUSTRALIA AND NEW ZEALAND INC.**

Report on the audit of the financial report

Opinion

I have audited the financial report of Environment Institute Of Australia and New Zealand Inc. which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss or 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 certification by members of the Board.

As part of carrying out the audit we have relied on the Performance Report of the New Zealand Branch prepared by the Institute's accountants in New Zealand.

In my opinion, the financial report of Environment Institute of Australia and New Zealand Inc. 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 institute's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and Division 60 of the Australian Charities and Not-for-Profits Commission Regulations 2013.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Report section in my report. I am independent of the institute in accordance with the auditor independence requirements of the 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Report and Auditor's Report Thereon.

The Board is responsible for the other information. The other information comprises the information included in the institute's annual report for the year ended 30 June 2020, 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 don't express any form of assurance conclusion thereon.

The Responsibility of the Board for the Financial Report

The Board of the institute are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and for such internal control as the Board determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the institute'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 Board either intend to liquidate the institute or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the Australian Auditing Standards, I exercise professional judgement and maintain professional skepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's 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 institute's ability to continue as a going concern. If I conclude that a material uncertainty exists I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However future events or conditions may cause the institute 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.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Wayne Durdin

October 2020

E F McPhail and Partners

Suite 12, 602 Whitehorse Road

Mitcham Vic 3132

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	\$	\$
REVENUE		
Operating activities:		
– membership subscriptions and certification fees	819,245	806,009
– Conference and events	417,803	212,432
– journal	23,072	22,283
– other	195,635	126,115
Non-operating activities:		
– interest	2,561	4,159
– foreign exchange gain	(3,313)	(4,474)
	<u>1,455,003</u>	<u>1,166,524</u>
EXPENDITURE		
Accounting and audit services	38,910	39,867
Bank charges and interest expense	520	952
Depreciation	7,741	7,841
General operation expenses	159,778	170,060
Journal costs	16,758	26,383
Conference and events	282,329	176,408
Superannuation	47,577	42,341
Wages	511,893	471,712
All other expenses	90,399	144,231
Total Expenditure	<u>1,155,905</u>	<u>1,079,795</u>
Current year surplus (deficit) before income tax	<u>299,098</u>	<u>86,729</u>
Income tax expense	<u>9,425</u>	<u>-</u>
Current year surplus (deficit) after income tax	<u>289,673</u>	<u>86,729</u>

The Environment Institute of Australia and New Zealand Inc.

ARBN 166 345 697

NZBN 9429041314777



COMPILATION REPORT TO THE ENVIRONMENT INSTITUTE OF AUSTRALIA AND
NEW ZEALAND INC. – June 2020

We have compiled the accompanying general purpose financial reports for the Environment Institute of Australia and New Zealand Inc., which comprise the Profit & Loss Statement & Balance Sheet. These have been prepared in accordance with the financial reporting framework described in note 1 to the financial statements.

The Responsibility of the Board

The Board of The Environment Institute of Australia and New Zealand Inc. is solely responsible for the information contained in the general purpose financial statements and has determined that the financial reporting framework used is appropriate to meet its needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the Board we have compiled the accompanying general purpose financial statements in accordance with the financial reporting framework described in Note 1 to the financial statements and APES 315: *Compilation of Financial Information*.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the Board provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The general purpose financial statements were compiled exclusively for the benefit of the Board. We do not accept responsibility to any other person for the contents of the general-purpose financial statements.

Address: Suite 4, 15 Vere Street
Collingwood VIC 3066

Name of Firm: Mindful Business Partners Pty Ltd
BAN: 25426239

Date: 25 September 2020

A handwritten signature in blue ink, appearing to read "Matthew May".

Matthew May