

Alternative Technology Association Inc (trading as 'Renew Australia')

ABN 57 533 056 318

Financial Report

For the Year Ended 30 June 2020

Alternative Technology Association Inc

ABN 57 533 056 318

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For the Year Ended 30 June 2020

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Alternative Technology Association Inc

ABN 57 533 056 318

Statement of Income and Expenditure and Other Comprehensive Income

For the Year Ended 30 June 2020

		2020	2019
		\$	\$
Operating activities			
Revenue	3	2,444,705	2,530,830
Employee benefit expense		(1,513,432)	(1,602,485)
Consultants and professional fees		(271,851)	(138,842)
Printing and publishing expenses		(193,818)	(214,052)
Project materials		(167,838)	(45,502)
Postage and freight		(143,869)	(143,254)
Depreciation and amortisation		(80,682)	(29,787)
Subscriptions and memberships		(70,282)	(78,646)
Marketing expenses		(65,624)	(128,168)
IT and communications		(53,110)	(38,571)
Occupancy expenses		(36,668)	(53,772)
Travel expenses		(18,795)	(39,943)
Cost of sales		(14,803)	(21,013)
Other expenses		(60,067)	(55,583)
Surplus/(deficit) from operating activities		(246,134)	(58,788)
Non-recurrent activities			
Other income - Government Stimulus (COVID-19)	3	230,900	-
Other income - Payroll tax refund (2016-19 FY)	4	128,643	-
Surplus/(deficit) from non-recurrent activities		359,543	-
Surplus/(deficit) for the year		113,409	(58,788)
Other comprehensive income for the year		-	-
Total comprehensive income for the year		113,409	(58,788)

The accompanying notes form part of these financial statements.

Alternative Technology Association Inc

ABN 57 533 056 318

Statement of Financial Position

As at 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	572,722	653,216
Trade and other receivables	6	367,959	158,039
Inventories	7	5,724	47,227
Other assets	10	102,178	56,803
TOTAL CURRENT ASSETS		<u>1,048,583</u>	<u>915,285</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	27,257	34,714
Intangible assets	9	188,173	224,120
TOTAL NON-CURRENT ASSETS		<u>215,430</u>	<u>258,834</u>
TOTAL ASSETS		<u>1,264,013</u>	<u>1,174,119</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	312,856	269,201
Short-term provisions	12	250,025	247,400
Other liabilities	13	459,418	525,283
TOTAL CURRENT LIABILITIES		<u>1,022,299</u>	<u>1,041,884</u>
NON-CURRENT LIABILITIES			
Long-term provisions	12	9,709	13,639
TOTAL NON-CURRENT LIABILITIES		<u>9,709</u>	<u>13,639</u>
TOTAL LIABILITIES		<u>1,032,008</u>	<u>1,055,523</u>
NET ASSETS		<u>232,005</u>	<u>118,596</u>
EQUITY			
Settled sum		10	10
Retained surplus		231,995	118,586
TOTAL EQUITY		<u>232,005</u>	<u>118,596</u>

The accompanying notes form part of these financial statements.

Alternative Technology Association Inc

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Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Settled Sum	Retained Surplus	Total
	\$	\$	\$
Balance at 1 July 2019	10	118,586	118,596
Surplus/(deficit) for the year	-	113,409	113,409
Balance at 30 June 2020	10	231,995	232,005

2019

	Settled Sum	Retained Surplus	Total
	\$	\$	\$
Balance at 1 July 2018	10	177,374	177,384
Surplus/(deficit) for the year	-	(58,788)	(58,788)
Balance at 30 June 2019	10	118,586	118,596

The accompanying notes form part of these financial statements.

Alternative Technology Association Inc

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Statement of Cash Flows

For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members, customers and donors	2,612,680	2,529,870
Payments to suppliers and employees	(2,661,978)	(2,683,418)
Interest received	6,082	12,194
Net cash provided by/(used in) operating activities	15 <u>(43,216)</u>	<u>(141,354)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for plant and equipment	(1,278)	(1,405)
Payment for intangible assets	<u>(36,000)</u>	<u>(103,991)</u>
Net cash used by investing activities	<u>(37,278)</u>	<u>(105,396)</u>
Net increase/(decrease) in cash and cash equivalents held	(80,494)	(246,750)
Cash and cash equivalents at beginning of year	<u>653,216</u>	<u>899,966</u>
Cash and cash equivalents at end of financial year	5 <u><u>572,722</u></u>	<u><u>653,216</u></u>

The accompanying notes form part of these financial statements.

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(a) Basis of preparation

Alternative Technology Association Inc is an association, incorporated and domiciled in Victoria.

The financial report is a special purpose financial report prepared to satisfy the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The Board has determined that the association is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. The association is a not-for-profit entity for financial reporting purposes under the Australian Accounting Standards.

Statement of Compliance

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012*, the disclosure requirements of Accounting Standards AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*; AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1048 *Interpretation of Standards* and AASB 1054 *Australian Additional Disclosures*, and the basis of accounting specified by all Australian Accounting Standards and Interpretations.

The Association has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures.

These special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

Basis of Preparation

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The amounts presented in the financial statements have been rounded to the nearest dollar.

The following significant accounting policies, which are consistent with the previous period unless stated otherwise, have been adopted by the Association in the preparation of the financial report.

(b) Revenue

Revenue from contracts with customers

Sale of publications and other products

Revenue is recognised when the control of products has transferred to the customer. For such transactions, this is when the products are delivered to the customer. Revenue from these sales is based on the price stipulated in the contract. Revenue is only recognised to the extent that there is a high probability that a significant reversal of revenue will not occur.

Memberships and subscriptions

Revenue from memberships and subscriptions is recognised proportionately over the duration of the membership or subscription.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(b) Revenue

Advertising income

Advertising income is recognised when performance obligations under the contract with the customer have been satisfied. This will be either at a point-in-time, or over time, as advertising benefits are provided to the customer.

Consulting income

Consulting fees are recognised with respect to renewable energy and energy efficiency modelling and research and other applicable funded projects. Revenue is recognised when performance obligations under the contract have been satisfied, which will be at a point-in-time, or over time, based on the nature of performance obligations contained in the contract.

Contract assets and liabilities

Consideration paid by the customer in advance of the satisfaction of performance obligations is recognised as a contract liability.

Costs incurred in fulfilling a contract in progress (where performance obligations are not yet satisfied) are recognised as a contract cost asset where the costs relate directly to the satisfaction of contract performance obligations and are expected to be recovered.

Grants and donations

When the Association receives grants, donations and bequests it assesses whether a contract exists and whether that contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When these conditions are satisfied, the Association:

- identifies each performance obligation relating to the grant or donation;
- recognises a contract liability for its obligations under the contract; and
- recognises revenue as it satisfied its performance obligations.

When the contract is not enforceable or does not have sufficient specific performance obligations, the grant or donation is recognised immediately in profit or loss.

Government grants under the Australian Government JobKeeper wage subsidy program have been recognised as revenue when the Association became entitled to receive the grants, which was assessed to be the time at which the salary and wages payments for the eligible JobKeeper fortnight were made to eligible employees.

Government grants under the Australian Government cash flow boost initiative have been recognised as revenue when the Association became entitled to receive the grants, which was assessed to be the time at which the applicable Activity Statements were lodged with the Australian Taxation Office.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(b) Revenue

Interest income

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

(c) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*. The Association is a charity registered with the Australian Charities and Not-for-profits Commission.

(d) 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 payables 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.

(e) Inventories

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

(f) Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Association, commencing when the asset is ready for use.

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

Fixed asset class	Depreciation rate
Plant and Equipment	3 - 20%
Furniture, Fixtures and Fittings	5 - 25%
Office Equipment	5 - 33%
Leasehold improvements	1 - 3%

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Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(f) Property, plant and equipment

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.

(g) Intangibles

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between three and four years.

Amortisation

Amortisation is recognised in income and expenditure on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) Leases

Right-of-use asset

At the lease commencement, the Association recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Association believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of non-financial assets accounting policy.

Lease liability

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Association's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Association's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(h) Leases

Exceptions to lease accounting

The Association has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Association recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

The Association's office lease is considered to be a short-term lease.

(i) Impairment

At the end of each reporting period the Association determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists (and regardless for indefinite life intangible assets and intangible assets not yet available for use), the recoverable amount of the asset is estimated. Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(j) Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially on the date that the Association becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Association classifies its financial assets into the following categories, those measured at:

- amortised cost

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Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(j) Financial instruments

Financial assets

Financial assets are not reclassified subsequent to their initial recognition unless the Association changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Association's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Association has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Association renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

1 Summary of Significant Accounting Policies

(j) Financial instruments

Financial assets

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced a significant increase in credit risk, the lifetime losses are estimated and recognised.

Financial liabilities

The Association measures all financial liabilities initially at fair value less transaction costs. Subsequently, financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Association comprise trade payables, bank and other loans and finance lease liabilities.

(k) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(l) Provisions

Provisions are recognised when the Association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(m) Employee benefits

Provision is made for the Association'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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in income and expenditure.

(n) Adoption of new and revised accounting standards

The Association has adopted all standards which became effective for the first time during the year ended 30 June 2020. This consisted of AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-Profit Entities*, and AASB 16 *Leases*

These standards have been applied retrospectively in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates, and Errors*. There was no impact on the comparatives for the 2019 reporting period.

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Notes to the Financial Statements

For the Year Ended 30 June 2020

2 Retrospective restatement

In the current financial year the Association determined that an error was made in the calculation of contract liabilities for memberships and subscriptions (membership and subscription income received in advance) as at 30 June 2019. This resulted in an overstatement of liabilities as at 30 June 2019 and an understatement of revenue for the year ended 30 June 2019.

This error has been restated retrospectively in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. The restatement only relates to the comparative year, being the year ended 30 June 2019, and no earlier prior periods.

The impact of the restatement on the financial statements is shown in the table below.

	Previously stated \$	30 June 2019 Adjustments \$	Restated \$
Statement of Income and Expenditure and Other Comprehensive Income			
Revenue (from operating activities)	2,476,462	54,368	2,530,830
Statement of Financial Position			
Other liabilities	579,651	(54,368)	525,283
Retained earnings	64,218	54,368	118,586

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Notes to the Financial Statements

For the Year Ended 30 June 2020

3 Revenue and other income

Revenue from operating activities

	2020	2019
	\$	\$
Revenue from contracts with customers		
- Membership and subscription income	803,876	749,018
- Consulting income	474,102	622,383
- Advertising income	337,686	323,248
- Sale of publications	146,771	162,091
- Sale of products	48,511	63,312
	<u>1,810,946</u>	<u>1,920,052</u>
Revenue from other sources		
- Philanthropic grants and donations	604,970	552,563
- Interest income	6,082	12,194
- Other income	22,707	46,021
	<u>633,759</u>	<u>610,778</u>
	<u>2,444,705</u>	<u>2,530,830</u>

Other income - Government Stimulus (COVID-19)

Government grants		
- Government grants (JobKeeper)	180,900	-
- Government grants (cash flow boost)	50,000	-
	<u>230,900</u>	<u>-</u>

4 Payroll tax refund

On 31 August 2020, the Association received notice from the Victorian State Revenue Office that it had been successful in a request for exemption from payroll tax. As such, the Association is entitled to a refund of all payroll tax paid from 30 May 2015 onwards. The estimated refund amount, net of the costs associated with the request for exemption, is \$128,643, which has been recognised as a receivable as at 30 June 2020.

5 Cash and Cash Equivalents

Cash on hand	2,069	6,117
Cash at bank	570,653	647,099
	<u>572,722</u>	<u>653,216</u>

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2020

6 Trade and Other Receivables

	2020	2019
	\$	\$
CURRENT		
Trade receivables	162,455	112,688
Provision for doubtful debts	(8,347)	(2,581)
	<u>154,108</u>	<u>110,107</u>
Accrued income	213,851	47,932
Total current trade and other receivables	<u><u>367,959</u></u>	<u><u>158,039</u></u>

7 Inventories

CURRENT		
Finished goods	8,024	50,027
Provision for obsolescence	(2,300)	(2,800)
	<u>5,724</u>	<u>47,227</u>

8 Property, Plant and Equipment

Plant and equipment		
At cost	35,079	35,079
Accumulated depreciation	(27,397)	(24,232)
Total plant and equipment	<u>7,682</u>	<u>10,847</u>
Furniture, fixtures and fittings		
At cost	18,227	18,227
Accumulated depreciation	(13,570)	(12,881)
Total furniture, fixtures and fittings	<u>4,657</u>	<u>5,346</u>
Office equipment		
At cost	56,711	55,433
Accumulated depreciation	(51,343)	(46,884)
Total office equipment	<u>5,368</u>	<u>8,549</u>
Leasehold Improvements		
At cost	19,687	19,687
Accumulated amortisation	(10,137)	(9,715)
Total leasehold improvements	<u>9,550</u>	<u>9,972</u>
Total property, plant and equipment	<u><u>27,257</u></u>	<u><u>34,714</u></u>

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Notes to the Financial Statements

For the Year Ended 30 June 2020

9 Intangible Assets

	2020	2019
	\$	\$
Computer software		
At cost	293,709	257,709
Accumulated amortisation and impairment	(105,536)	(33,589)
Total computer software	188,173	224,120
Total Intangibles	188,173	224,120

10 Other Assets

CURRENT		
Prepayments	102,178	56,803
	102,178	56,803

11 Trade and Other Payables

CURRENT		
Trade payables	124,862	103,470
Other payables	187,994	165,731
	312,856	269,201

12 Provisions

CURRENT		
Employee benefits	250,025	247,400
	250,025	247,400
NON-CURRENT		
Employee benefits	9,709	13,639
	9,709	13,639

13 Other Liabilities

CURRENT		
Contract liabilities (memberships and subscriptions)	355,573	396,737
Contract liabilities (other)	103,845	128,546
	459,418	525,283

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2020

14 Auditors' Remuneration

	2020	2019
	\$	\$
Remuneration of the auditor, for:		
- auditing the financial statements	14,500	12,000
	<u>14,500</u>	<u>12,000</u>

15 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Net surplus/(deficit) for the year	113,409	(113,156)
Non-cash flows in surplus/(deficit)		
- depreciation and amortisation	80,682	29,787
- provision for doubtful debts	5,766	(439)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(215,686)	(14,273)
- (increase)/decrease in inventories	41,503	(11,341)
- (increase)/decrease in prepayments	(45,375)	(3,246)
- increase/(decrease) in payables and other liabilities	(22,210)	(43,401)
- increase/(decrease) in provisions	(1,305)	14,715
Cashflows from operations	<u>(43,216)</u>	<u>(141,354)</u>

16 Renewable Energy Development Trust Fund

The Renewable Energy Development Trust (REDT) Fund is operated by the Association and consolidated in the financial results of the association.

The Association has received an endorsement for the REDT Fund as a Deductible Gift Recipient under Subdivision 30-B of the Income Tax Assessment Act 1997, Item 6.1.1 - Public Fund on the Register of Environmental Organisations. This endorsement entitles the fund to receive gifts which are tax deductible to donors.

Alternative Technology Association Inc

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Notes to the Financial Statements

For the Year Ended 30 June 2020

17 Events after the end of the Reporting Period

Since March 2020, the Australian economy has been significantly impacted by the disruption caused by the COVID-19 pandemic. Operations have continued to the extent possible, with staff predominantly working from home. The Association was also required to shift numerous events to an online format, including Sustainable House Day.

In July and August 2020, the Victorian Government imposed further movement restrictions and shut-downs of businesses in Victoria to suppress recent virus outbreaks. However, these restrictions did not have any additional significant impact on the Association.

The board members have taken steps from the start of the pandemic to restructure the Association's operations to ensure it remains financially sustainable. The effective implementation of these steps has led the board members to believe that the Association continues to be able to operate as a going concern.

Except for the above, no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations or the state of affairs of the Association in future financial years.

18 Association Information

The registered office of and principal place of business of the Association is:

Alternative Technology Association Inc
Association Registration Number: A0017411T
Level 1, 39 Little Collins Street
Melbourne VIC 3000

Alternative Technology Association Inc

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Statement by Members of the Board

The board members declare that in the board members' opinion:

- (i) there are reasonable grounds to believe that the association is able to pay all of its debts, as and when they become due and payable; and
- (ii) financial statements and notes give a true and fair view of the association's financial position as at 30 June 2020 and of its financial performance for the year ended on that date, in accordance with the accounting policies described in Note 1 to the financial statements; and
- (iii) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

President 

Treasurer 

Date: 1/11/2020

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Auditor's Independence Declaration

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, there have been:

- (a) no contraventions of the auditor independence requirements as set out in the Accounting Professional Ethical Standards as required by Section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



Saward Dawson



Jeffrey Tulk
Partner

Date: 1 November 2020

Blackburn

Alternative Technology Association Inc

ABN 57 533 056 318

Independent Audit Report to the members of Alternative Technology Association Inc

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Alternative Technology Association Inc (the Association), which comprises the statement of financial position as at 30 June 2020, the statement of income and expenditure and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and statement by members of the board.

In our opinion, the accompanying financial report of the Association is in accordance with the and the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Association's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and Division 60 of 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 Association in accordance with the auditor independence requirements of 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.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the board members' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Board Members for the Financial Report

The board members are responsible for the preparation and fair presentation of the financial report in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and for such internal control as the board members determine is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

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In preparing the financial report, the board members are responsible for assessing the Association'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 members either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

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 this financial report.

As part of an audit in accordance with the 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the board member'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 Association'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 Association 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.

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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.


Saward Dawson



Jeffrey Tulk
Partner

Blackburn

Dated: 1 November 2020