

CFA Society of Melbourne Inc

ABN 33 080 559 149

Financial Statements
For the year ended 30 June 2013



Phillip Anthony Partners

11 Palmerston Crescent
South Melbourne Vic 3205

Phone: 03 9696 4211 Fax: 03 9696 6217

Email: business@phillipanthony.com.au

CFA Society of Melbourne Inc

ABN 33 080 559 149

Contents

Compilation Report	3
Statement by Members of the Committee	4
Balance Sheet	5
Income and Expenditure Statement	6
Notes to the Financial Statements	8

CFA Society of Melbourne Inc**ABN 33 080 559 149****Compilation Report to CFA Society of Melbourne Inc**

We have compiled the accompanying special purpose financial statements of CFA Society of Melbourne Inc, which comprise the Income and Expenditure Statement and Balance Sheet as at 30 June 2013, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial report has been prepared is set out in Note 1. The extent to which Australian Accounting Standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is set out in Note 1.

The Responsibility of the Committee of Management

The committee of management is solely responsible for the information contained in the special purpose financial statements and has determined that the basis of accounting adopted is appropriate to meet the needs of the committee of management for the purpose of complying with the association's constitution.

Our Responsibility

On the basis of the information provided by the committee of management, we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the committee of management 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.

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than the company, may suffer arising from any negligence on our part. No person should rely on the special purpose financial report without having an audit or review conducted.

The special purpose financial statements were compiled exclusively for the benefit of the committee of management. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Phillip Anthony Partners
11 Palmerston Crescent
South Melbourne Vic 3205

8 October, 2013

CFA Society of Melbourne Inc
ABN 33 080 559 149
Statement by Members of the Committee
For the year ended 30 June 2013

The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of CFA Society of Melbourne Inc as at 30 June 2013 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

The Committee is responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

President

Treasurer

Date:

CFA Society of Melbourne Inc
ABN 33 080 559 149
Balance Sheet As At 30 June 2013

	Note	2013 \$	2012 \$
Current Assets			
Cash assets	3	33,062	59,541
Receivables	4	56	
Current tax assets	5	222	(7,322)
Other	6	202,444	215,597
Total Current Assets		235,784	267,816
Total Assets		235,784	267,816
Current Liabilities			
Payables	7	2,177	
Financial liabilities	8	10,065	
Current tax liabilities	9	3,699	(56)
Provisions	10	10,505	35,880
Total Current Liabilities		26,446	35,824
Total Liabilities		26,446	35,824
Net Assets		209,338	231,993
Members' Funds			
Retained profits		209,338	231,993
Total Members' Funds		209,338	231,993

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's
 Compilation Report and Notes which form part of these financial statements.

CFA Society of Melbourne Inc
ABN 33 080 559 149
Income and Expenditure Statement
For the year ended 30 June 2013

	2013	2012
	\$	\$
Income		
CFAI funding	25,383	27,238
Forecasting dinner	37,282	29,099
Continuing education	600	917
Investment research challenge	3,982	4,800
Membership dues	20,318	21,561
Practice exam	5,120	3,677
Review course	25,238	25,941
Graduation dinner	3,113	1,773
Schweser Notes sales	2,444	3,971
Reimbursements	1,987	
Interest received	9,790	10,055
Total income	<u>135,257</u>	<u>129,033</u>
Expenses		
Accountancy	11,322	11,364
Advertising and promotion		4,007
Assets write off	834	
Bank and merchant fees	578	922
Board expenses	3,231	3,254
Conference/seminar costs	10,662	1,049
Continuing education expenses	1,040	2,644
Ethics course		1,000
Event booking fees		824
Filing Fees	108	
Forecasting dinner	40,419	24,587
Gifts	56	
Graduation dinner	5,455	6,330
Insurance	2,338	
Interest - SGC super guarantee	40	632
Interest - ATO	348	1,308
Investment research challenge	5,091	2,596
IT expenses	589	2,000
Marketing	677	
Member / candidate drinks	3,881	4,661
Outreach	(147)	9,253

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

CFA Society of Melbourne Inc
ABN 33 080 559 149
Income and Expenditure Statement
For the year ended 30 June 2013

	2013	2012
	\$	\$
Postage	165	119
Practice exam expenses	1,964	1,450
Printing & stationery	2,254	
Review course	15,584	20,271
Salaries & administration expenses	40,288	37,261
Seminars	453	
Sponsorships	150	
Superannuation	3,299	2,183
Travelling expenses	637	
Website expenses	3,240	
Workcover	248	565
Total expenses	154,806	138,280
Profit from ordinary activities before income tax	(19,549)	(9,247)
Income tax expense relating to ordinary activities	(3,106)	(1,786)
Net profit attributable to the association	(22,655)	(11,033)
 Items recognised directly in equity:		
Net increase in Asset Revaluation Reserve		
Increase (decrease) in retained profits due to:		
Prior period adjustments		(6,231)
Over-provision of tax		335
Total revenues, expenses and valuation adjustments attributable to the association and recognised directly in equity	(22,655)	(16,928)
 Total changes in equity of the association	(22,655)	(16,928)
Opening retained profits	231,993	248,921
Net profit attributable to the association	(22,655)	(11,033)
Adjustments:		
Prior period adjustments		(6,231)
Over-provision of tax		335
Closing retained profits	209,338	231,993

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

CFA Society of Melbourne Inc
ABN 33 080 559 149
Notes to the Financial Statements
For the year ended 30 June 2013

Note 1: Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act of Victoria. The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

(a) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income). The association does not apply deferred tax.

Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

The association is liable for GST and must pay tax on passive income but otherwise, the operating surplus excluding passive income is tax exempt.

(b) 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 have been measured at the amounts expected to be paid when the liability is settled.

(c) 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 reasonably measured. Provisions are measured at the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(e) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

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

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

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

CFA Society of Melbourne Inc
ABN 33 080 559 149
Notes to the Financial Statements
For the year ended 30 June 2013

(f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.

(g) Trade and Other Payables

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

CFA Society of Melbourne Inc
ABN 33 080 559 149
Notes to the Financial Statements
For the year ended 30 June 2013

	2013	2012
Note 2: Revenue		
Operating Activities:		
Other sales revenue	125,467	118,977
Interest revenue	9,790	10,055
	135,257	129,033
	135,257	129,033
Note 3: Cash assets		
Bank accounts:		
Cash at Bank - Westpac CMA	945	12,745
Cash at bank - Westpac Maxi	1,015	12,144
Cash at bank - Westpac Cash Reserve #1		4,311
Cash at bank - Westpac Cash Reserve #2	31,102	30,341
	33,062	59,541
	33,062	59,541
Note 4: Receivables		
Current		
Other debtors - ATO	56	
	56	
	56	
Note 5: Tax Assets		
Current		
GST payable control account	(2,475)	(3,125)
GST payable adjustment control account		(5,008)
Input tax credit control account	2,697	1,885
ATO integrated client account		(1,074)
	222	(7,322)
	222	(7,322)

These notes should be read in conjunction with the attached compilation report of Phillip Anthony Partners.

CFA Society of Melbourne Inc
ABN 33 080 559 149
Notes to the Financial Statements
For the year ended 30 June 2013

	2013	2012
Note 6: Other Assets		
Current		
Short term deposits	200,000	205,985
Accrued income	2,444	9,612
	202,444	215,597
	202,444	215,597
 Note 7: Payables		
Unsecured:		
- Trade creditors	1,267	
- Other creditors	910	
	2,177	
	2,177	
	2,177	
 Note 8: Financial Liabilities		
Current		
Unsecured:		
- Credit cards	10,065	
	10,065	
	10,065	
	10,065	
 Note 9: Tax Liabilities		
Current		
Taxation	1,215	(56)
PAYG instalment payable	473	
PAYG withholding payable	2,011	
	3,699	(56)
	3,699	(56)

CFA Society of Melbourne Inc
ABN 33 080 559 149
Notes to the Financial Statements
For the year ended 30 June 2013

	2013	2012
Note 10: Provisions		
Current		
Employee entitlements*	2,180	9,215
Accrued expenses	8,325	26,665
	10,505	35,880
	10,505	35,880
 * Aggregate employee entitlements liability	 2,180	 9,215

There was 1 employee at the end of the year