

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY

A.B.N. 69 072 086 894

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY

A.B.N. 69 072 086 894

DIRECTOR'S REPORT

Your directors present their report on the company for the year ended 30 June 2015.

DIRECTORS

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

Prof. Matthew Gillespie – B.Sc. (Hons), PhD.
Prof. Markus Seibel – MD, PhD, FRACP
A/Prof Natalie Sims – B.Sc (Hons), PhD
Dr Gethin Thomas – B.Sc.(Hons), PhD
Prof Gerald Atkins – B.Sc. (Hons), PhD
A/Prof.Nick Pocock – MB, BS, MD
Prof Elaine Dennison – MB, BChir MA, PhD
Prof Emma Duncan – MBBS (Hons), PhD, FRACP, MRCP
A/Prof Nathan Pavlos B.Sc (Hons), PhD

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

Company Secretary – The following person held the position of company secretary at the end of the financial year.

A/Prof Gerald Atkins was appointed company secretary on 13 November 2009.

OPERATING RESULTS

The company produced a net profit after income tax for the financial year of \$79,747 (2014 \$43,041).

REVIEW OF OPERATIONS

A review of the operations of the company during the financial year and the results of those operations are as follows:

- The principal activity of the company during the financial year was to support, promote, foster, develop and assist the study of research in and the acquisition, dissemination and application of knowledge and information concerning bone and mineral metabolism in all its aspects.
- No significant change in the nature of these activities occurred during the financial year.
- No significant change in the company's state of affairs occurred during the financial year.

SHORT TERM AND LONG TERM OBJECTIVES

The company's short term and long term objective is to:

- To promote and assist research into bone and mineral metabolism

STRATEGIES

To achieve its stated objectives, the company has adopted the following strategies:

- The directors operate the company in a prudent and conservative fashion so as to ensure the continued financial viability of the company which allows for the continuation of research into bone and mineral metabolism.
- The company fosters working partnership with both local and international bodies who have similar aims in order to achieve its stated objectives.

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY

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DIRECTORS' REPORT (Continued)

KEY PERFORMANCE MEASURES

The company measures its performance on the basis of sound financial results through prudent management of limited resources and the promotion of research into bone and mineral metabolism. The longer term measurement of this success is seen in better patient outcomes for the general public.

EVENTS SUBSEQUENT TO BALANCE DATE

No matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

LIKELY DEVELOPMENTS

There are no likely developments in the operations of the company, which are expected to affect the results of the company's operations in subsequent financial years.

ENVIRONMENTAL ISSUES

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

DIVIDENDS

The company is limited by guarantee and the Constitution does not permit the distribution of dividends to its members.

No dividends have been paid, declared or proposed by the company since the commencement of the financial year.

DIRECTORS' BENEFITS

Since the commencement of the financial year no director of the company has received or become entitled to receive, a benefit because of a contract that the director, a firm of which the director is a member, or an entity in which the director has a substantial financial interest, has made with:

- The company, or
- An entity that the company controlled or a body corporate that was related to the company, when the contract was made or when the director received, or became entitled to receive, the benefit.

OPTIONS

The company does not have a share capital as it is a company limited by guarantee. Accordingly, no options over interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

INSURANCE OF OFFICERS

During the financial year, the Company paid a premium to insure certain officers of the company, details of the nature of the cover and premium paid are prohibited from disclosure in accordance with the terms and conditions of the policy.

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY

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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2015 there has been:

- (i) no contraventions of the auditor's independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

**MARK TINWORTH
CHARTERED ACCOUNTANT**

North Sydney,

2015

TINWORTH & Co

CHARTERED ACCOUNTANT and BUSINESS ADVISORS

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY

Scope

We have audited the attached general purpose financial report comprising statement of financial position, statement of comprehensive income, statement of changes in equity, cash flow statement, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Director's responsibility for the financial report

The Company's directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting appropriate accounting policies; making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of the Australian and New Zealand Bone and Mineral Society on 7 August 2015, would be in the same terms if provided to the directors as at the date of this auditor's report.

Audit Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Australian and New Zealand Bone and Mineral Society as of 30 June 2015, and its financial performance and cash flows for the year then ended in accordance with the Corporations Act 2001 and the Australian Accounting Standards including Australian Accounting Interpretations).

MARK TINWORTH
CHARTERED ACCOUNTANT

Dated this day of 2015

LEVEL 2 66 BERRY STREET NORTH SYDNEY NSW 2060 P: (02) 9922 4644 F: (02) 9959 3642

PRINCIPAL: MARK TINWORTH CA
Liability limited by a scheme approved under Professional Standards Legislation

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY
A.B.N. 69 072 086 894
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015	2014
		\$	\$
Revenue	2	373,392	495,796
Administration expense		(57,771)	(60,679)
Meeting expense		(156,357)	(314,005)
Depreciation expense		(1,828)	(992)
Award expense		(34,597)	(37,311)
Employee benefit expenses		<u>(43,092)</u>	<u>(39,768)</u>
Profit before income tax		79,747	43,041
Income tax expense	1	<u>-</u>	<u>-</u>
Profit (loss) for the year after income tax		<u>79,747</u>	<u>43,041</u>
Other comprehensive income			
Income tax expense on other comprehensive income		-	-
Other comprehensive income for the year after tax		<u>79,747</u>	<u>43,041</u>
Total comprehensive income for the year		<u><u>79,747</u></u>	<u><u>43,041</u></u>

The accompanying notes form part of this financial report.

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	5	1,214,720	1,134,467
Trade and other receivables	6	12,139	3,823
Prepayments	7	<u>22,769</u>	<u>29,528</u>
TOTAL CURRENT ASSETS		<u>1,249,628</u>	<u>1,167,818</u>
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>2,549</u>	<u>4,377</u>
TOTAL NON-CURRENT ASSETS		<u>2,549</u>	<u>4,377</u>
TOTAL ASSETS		<u>1,252,177</u>	<u>1,172,195</u>
CURRENT LIABILITIES			
Trade & other payables	9	<u>93,645</u>	<u>93,410</u>
TOTAL LIABILITIES		<u>93,645</u>	<u>93,410</u>
NET ASSETS		<u>1,158,532</u>	<u>1,078,785</u>
MEMBERS' FUNDS			
Retained earnings		<u>1,158,532</u>	<u>1,078,785</u>
TOTAL MEMBERS' FUNDS		<u>1,158,532</u>	<u>1,078,785</u>

The accompanying notes form part of this financial report.

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY

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**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	Retained Earnings
Balance 1 July 2012		1,017,370
Profit(loss) for the 2013 year		<u>18,374</u>
Balance as at 30 June 2013		1,035,744
Profit (loss) for the 2014 year		<u>43,041</u>
Balance as at 30 June 2014		1,078,785
Profit (loss) for the 2015 year		<u>79,747</u>
Balance as at 30 June 2015		<u><u>1,158,532</u></u>

The accompanying notes form part of these financial statements.

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY

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**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	2015	2014
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Members' & customers' receipts		339,110	444,449
Interest received		29,163	37,612
Payments to suppliers		<u>(288,020)</u>	<u>(455,537)</u>
Net Cash Generated from Operating Activities	13	<u>80,253</u>	<u>26,524</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant & equipment		<u>-</u>	<u>(3,730)</u>
Net cash generated from investing activities		<u>-</u>	<u>(3,730)</u>
Net Increase (Decrease) in Cash Held		80,253	22,794
Cash at the beginning of the financial year		<u>1,134,467</u>	<u>1,111,673</u>
Cash at the end of the financial year	5	<u>1,214,720</u>	<u>1,134,467</u>

The accompanying notes form part of these financial statements.

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers the Australian and New Zealand Bone and Mineral Society as an individual entity incorporated and domiciled in Australia. The Australian and New Zealand Bone and Mineral Society is a company limited by guarantee.

The financial statements were authorised for issue on 10 August 2015.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historic costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Income Tax

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

Financial Instruments

Initial recognition and measurement

Financial assets, comprising trade and other receivables, cash and cash equivalents, financial assets and trade and other payables, are initially measured at fair value on trade date, which includes transaction costs, when the related contractual rights or obligations exist except where the instrument is classified at fair value through profit & loss in which case transaction costs are expensed to profit & loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. 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:

- 1 the amount at which the financial asset or financial liability is measured at initial recognition
- 2 less principal repayments
- 3 plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognized and the maturity amount calculated using the effective interest method; and
- 4 less any reduction for impairment

The effective interest rate method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Classification and subsequent measurement (Cont)

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 value with a consequential recognition of an income or expense in profit or loss.

Financial assets at fair value through profit & loss

A financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, or when they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management strategy. Such assets are subsequently measured at fair value with changes in carrying value included in profit or losses.

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.

Available-for-sale financial assets

Available for sale assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor determinable payments.

Held to maturity

These investments have fixed maturities, and it is the company's intention to hold these investments to maturity. Any held to maturity investments held by the company are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date, the board 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 the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

Impairment of Assets

At each reporting date, the board reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, is compared to the asset's carrying value.

Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

De-recognition

Financial assets are de-recognised 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 de-recognised where the related obligations are either discharged, cancelled or expire.

The difference between the carrying value of the financial liability extinguished or transferred to another party and their fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Depreciation of Plant and Equipment

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

Plant and equipment are measured on the cost basis. All assets are depreciated using the straight line basis so as to write off the cost of each asset over its expected useful life to the company.

Depreciation rates used for each class of asset are:

Plant and Equipment	2% - 50%
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An assets' carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferred to the entity are classified as finance leases.

Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Revenue

Membership revenue is measured at the fair value of the consideration received and is brought to account on receipts basis.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Revenue (Cont)

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered to be a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as revenue on receipt.

Revenue from the rendering of a service is recognised upon delivery of the service to the customer.

All revenue is stated net of the amount of Goods and Service Tax ("GST").

Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the ATO, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense or for receivables or payables which are recognised inclusive of GST where applicable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables.

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 company 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.

Cash and Cash equivalents

For the purpose of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report 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 group.

Key estimates - impairment

The company assesses impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use or current replacement calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

AASB 101: Presentation of Financial Statements

Adoption of new and revised accounting standards

During the current year, the Society has adopted all of the new and revised Australian Accounting Standards and Interpretations applicable to its operations which became mandatory.

The adoption of these standards has impacted the recognition, measurement and disclosure of certain transactions. The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of the Australian and New Zealand Bone and Mineral Society.

AASB 9: Financial Instruments (December 2010) and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) {AASB 1,3,4,5,7,101,102,108,112,118,120,121,127,128,131,132,136,137,139,1023 & 1038 and Interpretations 2,5,10,12,19& 127} (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and de-recognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classification of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives’;
- removing the tainting rules associated with held-to-maturity assets;

- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these instruments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be classified where there is a change in an entity’s business model as they are initially classified based on: (a) the objective of the entity’s business model for managing the financial assets ; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity’s own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The Society has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

- AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure {AASB 1,2,3,5,7,8,101,102,107,108,110,111,112,116,117,119,121,123,124,127,128,131,133,134,136,137,138,140,141,1050 & 1052 and Interpretations 2,4,5,14,17,127,129 & 1052} (applicable for annual reporting periods commencing on or after 1 July 2013).

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NOTES TO THE FINANCIAL STATEMENTS
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STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

AASB 101: Presentation of Financial Statements

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements;

Tier 1: Australian Accounting Standards; and

Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.
Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

The Executive believe the Society qualifies for the reduced disclosure requirements for Tier 2 entities. However it is yet to determine whether to adopt the reduced disclosure requirements.

- AASB 13: Fair Value Measurement and AASB 2011-8: Amendments to Australian Accounting Standards arising from AASB 13 {AASB 1,2,3,4,5,7,9,2009-11,2010-7,101,102,108,110,116,117,118,119,120,121,128,131,132,133,134,136,138,139,140,141,1004,1023 & 1038 and interpretations 2,4,12,13,14,17,19,131 & 132} (applicable for annual reporting periods commencing on or after 1 January 2013).
AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

These standards are not expected to significantly impact on the Society.

- AASB 2011-9: Amendments to Australian Accounting Standards –Presentation of Items of Other Comprehensive Income {AASB 1,5,7,101,112,120,121,132,133,134,1039 & 1049} (applicable for annual reporting periods commencing on or after 1 July 2013).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially re-classifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Society.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
2 REVENUE AND OTHER INCOME		
Interest	33,773	37,368
Membership & journal	53,602	71,115
Densitometry courses	78,532	84,205
Sponsorship	64,000	66,000
Meeting revenue	143,455	236,856
Sundry income	30	252
	<u>373,392</u>	<u>495,796</u>
3 PROFIT FOR THE YEAR		
Determined after taking account of:		
Depreciation expense	<u>1,828</u>	<u>992</u>
4 AUDITORS REMUNERATION		
Auditing financial report	<u>4,805</u>	<u>4,692</u>
5 CASH		
Cash at bank – cheque account	224,675	173,584
Term deposits	<u>990,045</u>	<u>960,883</u>
	<u>1,214,720</u>	<u>1,134,467</u>
The effective interest rate on short-term bank deposits was 2.99% (2014 3.96%); these deposits have an average maturity of 50 days		
6 RECEIVABLES		
Sundry debtors	3,705	-
Interest receivable	<u>8,434</u>	<u>3,823</u>
	<u>12,139</u>	<u>3,823</u>

Current trade receivables are non-interest bearing loans and generally are receivable within 30 days.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

2015 2014
 \$ \$

6 RECEIVABLES (continued)

Credit risk

The company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The main source of credit risk to the company is considered to relate to the class of assets described as distributions receivable.

The following table details the company's distributions receivable exposed to credit risk with ageing analysis and impairment provided thereon. Amounts are considered as 'past due' when the debt has not been settled within the terms and conditions agreed between the company and the member counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining their willingness to pay and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial terms (as detailed in the table) are considered to be of high credit quality.

2015	Gross Amount	Past due & impaired	Past due but not impaired (Days overdue)				Within initial trade terms
			<30	31-60	61-90	>90	
	\$	\$	\$	\$	\$	\$	\$
Sundry debtor	3,705						3,705
Interest receivable	8,434	-	-	-	-	-	8,434
Total	12,139	-	-	-	-	-	12,139

2014	Gross Amount	Past due & impaired	Past due but not impaired (Days overdue)				Within initial trade terms
			<30	31-60	61-90	>90	
	\$	\$	\$	\$	\$	\$	\$
Interest receivables	3,823	-	-	-	-	-	3,823
Total	3,823	-	-	-	-	-	3,823

The company does not hold any financial assets whose terms have been renegotiated, but which would otherwise be past due or impaired.

Collateral held as security

No collateral is held as security for any of the trade and other receivables.

Financial assets classified as loans and receivables

Trade and other receivables

- total current 12,139 3,823

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
7 OTHER CURRENT ASSETS		
Prepayments	<u>22,769</u>	<u>29,528</u>
8 PROPERTY, PLANT AND EQUIPMENT		
Office equipment – at cost	29,214	29,214
Less accumulated depreciation	<u>(26,665)</u>	<u>(24,837)</u>
	<u>2,549</u>	<u>4,377</u>

Movement in carrying amounts

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

Balance at the beginning of the year	4,377	1,639
Additions	-	3,730
Depreciation expense	<u>(1,828)</u>	<u>(992)</u>
Carrying amount at end of year	<u>2,549</u>	<u>4,377</u>

9 TRADE AND OTHER PAYABLES

Other payables	87,728	92,278
GST payable	<u>5,917</u>	<u>1,132</u>
	<u>93,645</u>	<u>93,410</u>

Financial liabilities at amortised cost classified as trade and other payables

Trade and other payables		
- total current	93,645	93,410
Less: GST payable	(5,917)	(1,132)
Less: Deferred revenue	<u>(76,969)</u>	<u>(88,182)</u>
Financial liabilities as trade & other payables	<u>10,759</u>	<u>4,096</u>

No collateral has been pledged for any of the trade and other payables balances.

10 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The company is not aware of any contingent liabilities that are in existence at the date of the signing of this report.

11 EVENTS AFTER THE BALANCE SHEET DATE

There has not arisen in the interval between end of financial period and the date of this report any item, transaction or event of a material or unusual nature, which in the opinion of the Director's of the company, will affect significantly the operations of the company, the results of these operations or the state of affairs of the company in future financial years.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
12 RELATED PARTY TRANSACTIONS		
No Director or member receives directly or indirectly any fees, bonuses or other remuneration as a consequence of their appointment to the Board.		
13 CASH FLOW INFORMATION		
Reconciliation of profit or loss from ordinary Activities after income tax with net cash flows from operations		
Net profit (loss) after income tax	79,747	43,041
Non cash flows		
- Depreciation	1,828	992
Changes in assets and liabilities		
- Decrease (increase) in trade & other receivables	(8,316)	244
- Decrease (increase) in prepayments	6,759	8,547
- (Decrease) Increase in deferred revenue	(11,213)	(20,108)
- (Decrease) Increase in trade & other payables	11,448	(6,192)
Net Cash generated by operating activities	<u>80,253</u>	<u>26,524</u>

14 KEY MANAGEMENT PERSONNEL COMPENSATION

The totals of remuneration paid to key management personnel (KMP) of the company during the year are as follows:

Short-term employee benefits	39,453	36,470
Post employment benefits	<u>3,639</u>	<u>3,298</u>
	<u>43,092</u>	<u>39,768</u>

15 FINANCIAL INSTRUMENTS

Financial risk management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, managed funds, accounts receivable and payable.

The company does not have any derivative financial instruments at 30 June 2015.

Financial Risk Management Policies

The Board's overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the Board on a regular basis.

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:

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
15 FINANCIAL INSTRUMENTS (continued)		
Financial assets		
Cash & cash equivalents	224,675	173,584
Short term deposits	990,045	960,883
Trade & other receivables	<u>12,139</u>	<u>3,823</u>
Total financial assets	<u>1,226,859</u>	<u>1,138,290</u>
Financial liabilities		
Trade & other payable	<u>10,759</u>	<u>4,096</u>
Total financial liabilities	<u>10,759</u>	<u>4,096</u>

i. Treasury risk management

A finance committee consisting of senior board members meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial risks

The main risks the company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

All financial assets and liabilities are non interest bearing except for the following:
Cash assets at an average interest rate for the year of 2.87% (2014 3.33%)

Foreign currency risk

The company is not exposed to fluctuations in foreign currencies

Interest rate risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and this will affect future cash flows or the fair value of fixed rate financial instruments.

Floating rate instruments

Cash & cash equivalents	224,675	173,584
Short term deposits	<u>990,045</u>	<u>960,883</u>
	<u>1,214,720</u>	<u>1,134,467</u>

Liquidity risk

Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities

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	2015	2014
	\$	\$

15 FINANCIAL INSTRUMENTS (continued)

The company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- obtaining funding from various sources
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- only investing surplus cash with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Financial liability and financial asset maturity analysis

	Within one year	
Financial liabilities due for payment		
Trade & other payables	10,759	4,096
Total expected outflows	10,759	4,096
Financial assets – cash flows realisable		
Cash & cash equivalents	1,214,720	1,134,467
Trade & other receivables	12,139	3,823
Total anticipated inflows	1,226,859	1,138,290
Net inflows on financial instruments	1,216,100	1,134,194

Foreign exchange risk

The company is not exposed to fluctuations in foreign currencies

Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes utilisation of systems for that approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Such monitoring is used in assessing receivables for impairment. Credit terms are normally 14-30 days from the date of invoice. Customers that do not meet the company's strict credit policies may only purchase in cash or using recognised credit cards.

Risk is also minimised through investing surplus funds in financial institutions that maintain high credit rating or in entities that the finance committee has otherwise cleared as being financially sound.

The maximum exposure to credit risk by class of recognised financial assets at balance date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the balance sheet.

The company has no significant concentration of credit risk with any single counterparty or group of counterparties.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$

15 FINANCIAL INSTRUMENTS (continued)

Trade & other receivables that are neither past due or impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in Note 6

The group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered in to by the company.

Credit risk related to balances with banks and other financial institutions is managed by the finance committee in accordance with approved board policy. Such policy requires that surplus funds are only invested in counterparties with a Standard & Poor's (S&P) rating of at least A- to AA-. The following table provides information regarding the credit risk relating to cash based on S&P counterparty credit ratings.

Cash and cash equivalents

A-2 rated	411,427	398,165
AA- rated	224,675	173,584
A- rated	<u>578,618</u>	<u>562,718</u>
	<u>1,214,720</u>	<u>1,134,467</u>

Price risk

The company is not exposed to any material commodity price risk.

Net fair values

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the balance sheet. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction. Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated, Areas of judgement and the assumptions have been detailed below.

Differences between fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company.

	2015		2014	
	Net carrying value	Net fair value	Net carrying value	Net fair value
Financial assets				
Cash & cash equivalents	1,214,720	1,214,720	1,134,467	1,134,467
Trade & other receivables	<u>12,139</u>	<u>12,139</u>	<u>3,823</u>	<u>3,823</u>
Total financial assets	<u>1,226,859</u>	<u>1,226,859</u>	<u>1,138,290</u>	<u>1,138,290</u>
Financial Liabilities				
Trade & other payables	<u>10,759</u>	<u>10,759</u>	<u>4,096</u>	<u>4,096</u>
Total financial liabilities	<u>10,759</u>	<u>10,759</u>	<u>4,096</u>	<u>4,096</u>

The fair values disclosed in the above table have been determined based on the following methodologies:

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

	2015	2014
	\$	\$
15 FINANCIAL INSTRUMENTS (continued)		
(i) Cash and cash equivalents, trade and other receivables and trade and other payables are short term instruments in nature whose carrying value is equivalent to fair value.		

Sensitivity analysis

The following table illustrates sensitivities to the company's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at the end of the reporting period would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit	Equity
	\$	\$
Year ended 30 June 2015		
+/- 2% in interest rates	23,430	23,430
Year ended 30 June 2014		
+/- 2% in interest rates	29,567	29,567

16 CAPITAL MANAGEMENT

Management controls the capital of the entity to ensure that adequate cash flows are generated to fund its operations and promotion of research into bone and mineral metabolism and that returns from investments are maximised within tolerable risk parameters. The Board ensures the overall risk management strategy is in line with this objective.

Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

The entities capital consists of financial liabilities, supported by financial assets.

The Board effectively manages the entities capital by assessing the entities financial risks and responding to changes in these risks and in the market. There have been no changes to the strategy adopted by management to control the capital of the entity since the previous year. The strategy of the entity is to maintain a gearing ratio at 0%.

The gearing ratios for the years ended 30 June 2015 and 30 June 2014 are as follows:

	Note		
Total borrowings			-
Less cash on hand	5	<u>(1,214,720)</u>	<u>(1,134,467)</u>
Net Debt			-
Total equity (retained surplus)		1,158,532	1,078,785
Total capital		<u>1,158,532</u>	<u>1,078,785</u>
Gearing ratio		0%	0%

AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY
A.B.N. 69 072 086 894

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

2015	2014
\$	\$

17 MEMBERS GUARANTEE

The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$100.00 each towards meeting any outstanding obligations of the entity. As at 30 June 2015, the number of members was 434.

18 COMPANY DETAILS

The registered office of the company is:

Australian and New Zealand Bone and Mineral Society
145 Macquarie Street
Sydney NSW 2000

The principal place of business is:

Australian and New Zealand Bone and Mineral Society
145 Macquarie Street
Sydney NSW 2000

TINWORTH & Co

CHARTERED ACCOUNTANT and BUSINESS ADVISORS

COMPILATION REPORT

TO AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY

On the basis of information provided by the Directors of the Australian and New Zealand Bone and Mineral Society, we have compiled in accordance with APES 315: 'Statement on Compilation of Financial Reports', the special purpose financial report of the Australian and New Zealand Bone and Mineral Society for the year ended 30 June 2015, as set out in the attached Detailed Profit and Loss Statement.

The specific purpose for which the special purpose financial report has been prepared is to provide private information to the directors. No Accounting Standards or other mandatory professional reporting requirements have been adopted in the preparation of the special purpose financial report.

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are appropriate to satisfy the requirements of the board.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, into a financial report. 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 report was prepared for the benefit of the company and its members and the purpose identified above. We do not accept responsibility to any other person for the contents of the special purpose financial report.

MARK TINWORTH
CHARTERED ACCOUNTANT

North Sydney,

2015

LEVEL 2 66 BERRY STREET NORTH SYDNEY NSW 2060 P: (02) 9922 4644 F: (02) 9959 3642

PRINCIPAL: MARK TINWORTH CA

Liability limited by a scheme approved under Professional Standards Legislation

**AUSTRALIAN AND NEW ZEALAND BONE AND MINERAL SOCIETY
DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

PRIVATE INFORMATION FOR THE DIRECTORS
ON THE 2015 FINANCIAL STATEMENTS

	Note	2015	2014
INCOME		\$	\$
Membership & journal		53,602	71,115
Densitometry courses		78,532	84,205
Sponsorship		64,000	66,000
Meeting proceeds		143,455	236,856
Interest		33,773	37,368
Other sundry income		30	252
Total Income		<u>373,392</u>	<u>495,796</u>
 EXPENDITURE			
Audit & accounting fees		4,805	4,692
Award expenses		34,597	37,311
Bank charges / merchant fees		3,619	6,485
Dues & subscriptions		16,952	14,429
Depreciation		1,828	992
Filing fee		45	44
Accreditation		1,000	500
Insurance		3,224	3,100
Meetings		156,357	314,005
Office expenses		13,142	8,385
Occupancy expense		9,223	13,731
Secretariat expenses		43,092	39,768
Journals		2,066	3,055
Website		3,695	6,258
Total Expenses		<u>293,645</u>	<u>452,755</u>
Profit (Loss) from ordinary activities before income tax		<u>79,747</u>	<u>43,041</u>

This financial statement should be read in conjunction with the attached Compilation Report