

**AUSTRALIAN ENVIRONMENTAL PEST MANAGERS
ASSOCIATION LTD
ABN 92 003 476 293**

FINANCIAL STATEMENTS
for the year ended 28 February 2017



**ANNUAL REPORT
FOR THE YEAR ENDED
28 FEBRUARY 2017**

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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 28 February 2017. The names of the directors in office at any time during, or since the end of, the year are:

Mr Stephen Ware	Mr John Graham
Mr Vasili Tsoutouras	Mr Michael Eris Hess
Mr David Gay	Mr Gary Stephenson (appointed 29.06.16)
Mr Victor Morgan	Mr Neil Raw (appointed 29.06.16)
Mr Greg Moon (resigned 29.06.16)	Mr Trevor Scott (appointed 29.06.16)
Mr Tommy Stewart (resigned 29.01.17)	

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

The loss of the company for the financial year after providing for income tax is \$812 (2016 Loss: \$58,783).

No significant changes in the company's state of affairs occurred during the financial year.

The principal activities of the company during the financial year were the promotion and development of the environmental pest management service industry in Australia.

No significant change in the nature of these activities occurred during the year.

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

At the date of this report there are no likely developments in the operations of the entity required to be reported in accordance with the Corporations Act 2001.

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

During the year and up to the date of this report the company has not indemnified or made a relevant agreement, for indemnifying against a liability, any person who is or has been an officer or auditor of the company. The company has however paid a premium in respect of a contract insuring against a liability for costs and expenses incurred in defending legal proceedings of a person who has been a director or officer of the company, in relation to their duties.

The company has entered into a related party contract with Pitt Properties Ltd which is controlled by Mr. Stephen Ware to provide administration services. The terms for this contract were entered at commercial rates and conditions.

DIRECTORS' REPORT
(CONTINUED)

Information on Directors

Stephen Ware	Executive Director BFin Admin, DCM, JP, experienced in association
Vasili Tsoutouras	South Australian delegate, National President, experienced and active in the pest management industry
David Gay	Victorian delegate, Immediate Past President, experienced and active in pest management industry
Victor Morgan	Western Australian delegate, Treasurer, experienced and active in pest management industry
Greg Moon	NSW delegate, experienced and active in pest management industry
Tommy Stewart	Victorian delegate, experienced and active in pest management industry
John Graham	Queensland delegate, experienced and active in the pest management industry
Michael Eris Hess	Associate director and wholesaler/retailer of pest control products
Gary Stephenson	NSW delegate, experienced and active in pest management industry
Neil Raw	South Australian delegate, experienced and active in the pest management industry
Trevor Scott	South Australian delegate, experienced and active in the pest management industry

DIRECTORS' REPORT
(CONTINUED)

There were 7 directors' meetings held during the year. The number of meetings attended by each of the directors during the year is set out below.

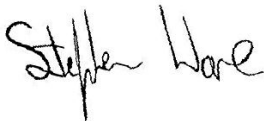
S Ware	7	J Graham	5
V Tsoutouras	7	M Eris Hess	7
D Gay	7	G Stephenson	5
V Morgan	7	N Raw	3
G Moon	2	T Scott	3
T Stewart	4		

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set on page 6.



Mr Vasili Tsoutouras, Director



Mr Stephen Ware, Director

27 April 2017



PASCOE WHITTLE

LEVEL 8, 191 CLARENCE STREET
SYDNEY NSW 2000

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SYDNEY NSW 2001

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AUDITOR'S INDEPENDENCE DECLARATION

**TO THE DIRECTORS OF AUSTRALIAN ENVIRONMENTAL PEST
MANAGERS ASSOCIATION LTD**

We declare to the best of our knowledge and belief, during the year ended 28 February 2017 there have been:

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

PASCOE WHITTLE

A handwritten signature in blue ink, appearing to read 'John Pascoe', is written over a faint, light blue grid background.

JOHN PASCOE
Partner

Sydney

27 April 2017

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 28 FEBRUARY 2017

	Note	2017	2016
		\$	\$
Other Income	2	726,098	407,782
Administration Expenses		(286,833)	(262,602)
Finance Costs		(27,429)	(28,315)
Marketing Expenses		(18,873)	(26,631)
Occupancy Expense		(16,176)	(15,500)
Other Expenses		<u>(377,599)</u>	<u>(133,518)</u>
PROFIT FOR THE YEAR		<u>(812)</u>	<u>(58,783)</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2017

	Note	2017 \$	2016 \$
CURRENT ASSETS			
Cash and Cash Equivalents	3	78,277	88,984
Trade and Other Receivables	4	10,670	11,646
Financial Assets	5	162,765	161,610
TOTAL CURRENT ASSETS		<u>251,712</u>	<u>262,241</u>
NON-CURRENT ASSETS			
Property, Plant and Equipment	6	27,430	39,713
TOTAL NON-CURRENT ASSETS		<u>27,430</u>	<u>39,713</u>
TOTAL ASSETS		<u>279,142</u>	<u>301,954</u>
CURRENT LIABILITIES			
Trade and Other Payables	7	12,734	17,407
Unearned Income		128,281	145,608
TOTAL CURRENT LIABILITIES		<u>141,015</u>	<u>163,015</u>
TOTAL LIABILITIES		<u>141,015</u>	<u>163,015</u>
NET ASSETS		<u>138,127</u>	<u>138,939</u>
EQUITY			
Retained Earnings	8	138,127	138,939
TOTAL EQUITY		<u>138,127</u>	<u>138,939</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2017

	Note	Retained Earnings \$	Total \$
Balance at 1 March 2015		197,722	197,722
Profit attributable to members		(58,783)	(58,783)
Balance at 29 February 2016		138,939	138,939
Profit attributable to members		(812)	(812)
Balance at 28 February 2017		138,127	138,127

The above statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 28 FEBRUARY 2017

	Note	2017 \$	2016 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Members		771,718	383,529
Payments to Suppliers and Employees		(785,440)	(457,357)
Interest Received		15	3
Distributions Received		4,425	4,648
		4,425	4,648
Net Cash From/(Used in) Operating Activities	9	(9,282)	(69,177)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from Sale of Units in Managed Funds		303,000	274,250
Payment for Plant and Equipment		-	(7,165)
Purchase of investments		(304,425)	(229,648)
		(304,425)	(229,648)
Net Cash From/(Used In) Investing Activities		(1,425)	37,437
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from Related Party Loan		-	-
Net Cash Used In Financing Activities		-	-
NET INCREASE/(DECREASE) IN CASH HELD		(10,707)	(31,740)
Cash at Beginning of the Financial Year		88,984	120,724
Cash at End of the Financial Year	3	78,277	88,984

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Statement of Significant Accounting Policies

The financial statements cover Australian Environmental Pest Managers Association Limited as an individual entity. Australian Environmental Pest Managers Association Limited is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The company has adopted AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-02 Amendments to Australian Standards arising from Reduced Disclosure Requirements. This financial report has been prepared in accordance with tier 2 requirements of the reduced disclosure regime adopted by the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

Property, Plant and Equipment

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Statement of Significant Accounting Policies (Continued)

Depreciation

The depreciation amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a diminishing value basis over the life of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

Financial Assets

Financial assets are initially recognised on the cost basis, including acquisition charges associated with the financial asset. The carrying amounts of financial assets are reviewed annually by the directors.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

Revenue and Other Income

Revenue is measured at the fair value of the consideration received. Membership fee revenue is recognised when received. Membership fee revenue but relating to a future period is deferred and recognised over the term of the membership.

Revenue from events and conferences is recognised in the period that it is held.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

1 Statement of Significant Accounting Policies (Continued)

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 Australian Tax Office (ATO). 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 balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which is disclosed as operating cash flows.

Comparative Figures

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

	2017	2016
	\$	\$
2 Revenue and Other Income		
Non-Dues Income	152,980	15,948
Membership Fees	311,330	305,862
Conference & Other Events	257,618	80,961
Interest Received	15	3
Distribution - Cash Fund	4,425	4,648
Other Revenue	(270)	361
	<u>726,098</u>	<u>407,782</u>
3 Cash and Cash Equivalents		
Cash on Hand	200	200
Cash at Bank	78,077	88,784
	<u>78,277</u>	<u>88,984</u>
Reconciliation of Cash		
Cash at the end of the financial year in statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash and Cash Equivalents	<u>78,277</u>	<u>88,984</u>
4 Trade and Other Receivables		
Current		
Input Tax Credits	<u>10,670</u>	<u>11,646</u>
	<u>10,670</u>	<u>11,646</u>
5 Financial Assets		
Current		
Macquarie Cash Fund at cost	<u>162,765</u>	<u>161,610</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

	2017	2016
	\$	\$
6 Property, Plant and Equipment		
Plant and Equipment		
At Cost	4,715	4,715
Accumulated Depreciation	(3,251)	(2,878)
Total Plant and Equipment	<u>1,464</u>	<u>1,837</u>
Leasehold Improvement		
At Cost	8,975	8,974
Accumulated Depreciation	(1,794)	(870)
Total Leasehold Improvements	<u>7,181</u>	<u>8,104</u>
Software - Website Development		
At Cost	54,937	54,937
Accumulated Depreciation	(36,152)	(25,165)
Total Software	<u>18,785</u>	<u>29,772</u>
Total Property, Plant and Equipment	<u><u>27,430</u></u>	<u><u>39,713</u></u>
7 Trade and Other Payables		
Current		
Trade Creditors	123	1,333
Other Accounts Payable	9,700	9,750
GST Payable	2,911	6,325
	<u>12,734</u>	<u>17,407</u>
8 Retained Earnings		
Retained earnings at the beginning of the financial year	138,939	197,722
Net profit attributable to members of the company	(812)	(58,783)
Retained earnings at the end of the financial year	<u><u>138,127</u></u>	<u><u>138,939</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

	2017	2016
	\$	\$
9 Reconciliation of Net Cash provided by Operating Activities to Profit After Income Tax		
Operating profit after income tax	(812)	(58,783)
Add Back:		
Depreciation	12,284	11,948
Changes in assets and liabilities:		
- (Increase)/Decrease in receivables	-	100
- (Increase)/Decrease in prepayments	-	-
- (Increase)/Decrease in market value of investments	270	330
- Increase/(Decrease) in payables	(1,259)	1,688
- Increase/(Decrease) in income tax provision	-	-
- Increase/(Decrease) in GST liability	(2,438)	(15,210)
- Increase/(Decrease) in prepaid income	(17,327)	(9,250)
	<u>(9,282)</u>	<u>(69,177)</u>
10 Members' Guarantee		
The company is limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligation of the company.		
11 Capital and Leasing Commitments		
(a) Capital Commitments	-	-
(b) Leasing Commitments	-	-
	<u>-</u>	<u>-</u>
12 Contingent Liabilities		
Contingent Liabilities	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2017

13 Events After the Balance Sheet Date

There are no subsequent events to disclose.

14 Financial Instruments

Financial Risk Management

The company's financial instruments consist primarily of deposits with banks and accounts receivable and payable and units in a cash fund. The main purpose of non-derivative financial instruments is to raise finance for company operations. The company does not have any derivative instruments at 28 February 2017.

15 Related Party Transactions

A contract was entered into with a related party being Pitt Properties Pty Limited which is controlled by Mr Stephen Ware, for the provision of administration services. The terms were no more favourable than would be offered to a third party.

16 Company Details

Australian Environmental Pest Managers Association Limited
PO Box 3102
HENDRA QLD 4011

Airport Gateway Business Centre
Unit 6, 12 Navigator Place
HENDRA QLD 4011

DIRECTORS' DECLARATION

The directors of the company declare that

- 1** The financial statements and notes, as set out on pages 1 to 17 are in accordance with the Corporations Act 2001 and:
 - (a)** comply with Australian Accounting Standards, and
 - (b)** give a true and fair view of the financial position as at 28 February 2017 and of the performance for the year ended on that date of the company.
- 2** In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Mr Vasili Tsoutouras
Director



Mr Stephen Ware
Director

Dated this 27th day of April 2017



PASCOE WHITTLE

LEVEL 8, 191 CLARENCE STREET
SYDNEY NSW 2000
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SYDNEY NSW 2001
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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
AUSTRALIAN ENVIRONMENTAL PEST MANAGERS ASSOCIATION LTD**

We have reviewed the accompanying financial report of Australian Environmental Pest Managers Association Limited, which comprises the statement of financial position as at 28 February 2017, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year ended 28 February 2017, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2415 Review of a Financial Report Performed – Company Limited by Guarantee or an Entity Reporting under the ACNC Act or Other Applicable Legislation or Regulation, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of company's financial position as at 28 February 2017 and its performance for the year ended on that date; and
- (ii) complying with the Australian Accounting Standards.

ASRE 2415 requires that we comply with the ethical requirements relevant to the review of the financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the company is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of the company's financial position as at 28 February 2017 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards.

PASCOE WHITTLE
Chartered Accountants

A handwritten signature in blue ink, appearing to read 'John Pascoe', is written over a faint, light blue grid background.

JOHN PASCOE
Partner

Sydney, 27 April 2017

DETAILED PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 28 FEBRUARY 2017

	2017	2016
	\$	\$
Income		
Non-Dues Income	152,980	15,948
Membership Fees	311,330	305,862
Conferences & Other Events	257,618	80,961
Distribution Received	4,425	4,648
	<u>726,353</u>	<u>407,418</u>
Other Income		
Interest Received	15	3
Other Revenue	-	691
Change in Value of Macquarie Cash Fund	(270)	(330)
	<u>(255)</u>	<u>365</u>
	<u>726,098</u>	<u>407,782</u>
Expenses		
Advertising & Marketing Expenses	18,873	26,631
Auditor's Remuneration	9,810	13,494
Bank & Credit Card Charges	5,335	2,873
Conference Expenses	313,646	59,515
Depreciation	12,284	11,948
Education	18,567	6,495
General expenses	9,112	29,582
Insurance	2,264	2,665
Internet and Website Expenses	8,521	17,293
Meeting Expenses	25,329	17,056
Office Expenses	14,385	6,126
Postage	160	579
Printing & Stationery	5,606	5,478
Rent	15,554	15,500
Repairs and Maintenance	622	-
Secretarial Fees	252,273	236,364
Subscriptions	3,954	1,756
Telephone	10,615	12,878
	<u>726,910</u>	<u>466,233</u>
Profit before income tax	<u>(812)</u>	<u>(58,450)</u>
Income tax benefit/(expense)	<u>0</u>	<u>(333)</u>
Net profit after tax	<u>(812)</u>	<u>(58,783)</u>