

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Financial Statements

For the Year Ended 31 December 2017

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Contents

For the Year Ended 31 December 2017

	Page
Financial Statements	
Committee's Report	1
Income and Expenditure Statement	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7
Statement by Members of the Committee	22
Independent Audit Report	23

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Committee's Report For the Year Ended 31 December 2017

The committee members submit the financial report of the Association for the financial year ended 31 December 2017.

1. General information

Committee members

The names of committee members throughout the year and at the date of this report are:

Anthony Hill	President
Richard Hocking	Vice President and Telemark Director
Andrew Rae	General Manager
Deborah Meehan	Treasurer
Richard Jameson	Alpine Director
Adam Federico	Snowboard Director
Warren Feakes	Nordic Director
Tom Hodges	Adaptive Director
Adam Hosie	Snowsport School Representative
Michal Bierczynski	Resorts Representative

Principal activities

The principal activities of the Association during the financial year were:

- to promote, develop, co-ordinate and conduct education, training, accreditation and other programs and projects related to snow sport instructions and APSI activities
- to ensure the protection of the separate and collective interests of all members and affiliated bodies
- to implement policies in relation to the conduct, administration, promotion and regulation of snowsport instructor training and accreditation
- to raise the levels and standards of instruction in snow sports
- to provide opportunities for all members to maximise their individual potential by fully developing their skills
- to co-operate with and assist any organisation having objects and purposes similar to those of the APSI in any manner which may further the interest of snow sport instruction or the APSI generally, including liaison, support and collaboration with the ISIA, Interski, IVSS and ASAA and other snow sport organisations
- to disseminate information to all members
- to maintain relevant records of APSI activities
- to promote greater awareness of the APSI throughout the community, government, media and corporate sector
- to select and appoint members to represent the APSI in international snow sport instruction events and related activities.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 619 216 085

Committee's Report
For the Year Ended 31 December 2017

1. General information

Significant changes

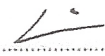
No significant change in the nature of these activities occurred during the year.

2. Operating results and review of operations for the year

Operating result

The surplus of the Association for the financial year after providing for income tax amounted to \$ 111,543 (2016: \$ 72,017).

Signed in accordance with a resolution of the Members of the Committee:

Committee member: 
Anthony Hill

Committee member: 
Deborah Meehan

Dated 17/5/18

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Income and Expenditure Statement For the Year Ended 31 December 2017

		2017	2016
	Note	\$	\$
Revenue	4	668,304	607,287
Accommodations		(9,085)	(12,911)
Advertising & promotion		(1,986)	(1,209)
Audit & accounting fees		(3,500)	(3,475)
Bad & doubtful debts		-	284
Bank charges		(10,700)	(12,339)
Board costs		(1,013)	(704)
Computer expenses		(1,570)	(4,922)
Course & exam expenses		(2,915)	(10,156)
Depreciation expense	10(a)	(316)	(299)
Electricity & gas		(1,851)	(1,617)
Employee costs		(332,675)	(329,746)
Insurance		(9,766)	(6,293)
Interski expenses		(1,358)	(5,781)
Membership fees		(1,636)	(3,588)
Office supplies		(2,789)	(3,380)
Printing and stationery		(3,715)	6,461
Professional fees		(28,165)	(8,908)
Purchases - Merchandise & manuals		(22,556)	(35,118)
Rent expenses		(15,300)	(14,700)
Telephone		(4,299)	(4,261)
Travel / meals - locals		(85,076)	(60,658)
Uniform costs		(2,440)	(7,523)
Web hosting & design costs		(6,751)	(525)
Membership expenses		(7,299)	(13,902)
Surplus before income tax		111,543	72,017
Income tax expense	2(a)	-	-
Surplus for the year		111,543	72,017

The accompanying notes form part of these financial statements.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Statement of Financial Position As At 31 December 2017

	Note	2017 \$	2016 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	241,431	462,600
Trade and other receivables	6	18,028	17,779
Inventories	7	25,111	6,633
Other financial assets	8	307,629	-
Other assets	9	1,929	4,724
TOTAL CURRENT ASSETS		594,128	491,736
NON-CURRENT ASSETS			
Property, plant and equipment	10	2,575	-
TOTAL NON-CURRENT ASSETS		2,575	-
TOTAL ASSETS		596,703	491,736
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	19,695	17,215
Employee benefits	13	30,678	27,093
Fees received in advance	12	50,451	64,133
TOTAL CURRENT LIABILITIES		100,824	108,441
NON-CURRENT LIABILITIES			
Employee benefits	13	2,712	1,671
TOTAL NON-CURRENT LIABILITIES		2,712	1,671
TOTAL LIABILITIES		103,536	110,112
NET ASSETS		493,167	381,624
EQUITY			
Retained earnings		493,167	381,624
TOTAL EQUITY		493,167	381,624

The accompanying notes form part of these financial statements.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Statement of Changes in Equity For the Year Ended 31 December 2017

2017

	Retained earnings	Total
	\$	\$
Balance at 1 January 2017	381,624	381,624
Surplus for the year	111,543	111,543
Balance at 31 December 2017	<u>493,167</u>	<u>493,167</u>

2016

	Retained earnings	Total
	\$	\$
Balance at 1 January 2016	309,607	309,607
Surplus for the year	72,017	72,017
Balance at 31 December 2016	<u>381,624</u>	<u>381,624</u>

The accompanying notes form part of these financial statements.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Statement of Cash Flows For the Year Ended 31 December 2017

	2017	2016
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	718,524	648,026
Payments to suppliers and employees	(633,884)	(526,221)
Interest received	4,711	6,582
Net cash provided by operating activities	17 <u>89,351</u>	<u>128,387</u>
Purchase of property, plant and equipment	(2,891)	-
Purchase of investments	(307,629)	-
Net cash used in investing activities	<u>(310,520)</u>	-
Net increase in cash and cash equivalents held	(221,169)	128,387
Cash and cash equivalents at beginning of year	<u>462,600</u>	<u>334,213</u>
Cash and cash equivalents at end of financial year	5 <u><u>241,431</u></u>	<u><u>462,600</u></u>

The accompanying notes form part of these financial statements.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

The financial statements cover Australian Professional Snowsport Instructors Association Incorporated as an individual entity. Australian Professional Snowsport Instructors Association Incorporated is a not-for-profit Association incorporated in New South Wales under the *Associations Incorporation Act (NSW) 2009* and *Associations Incorporation Regulation (NSW) 2010* ('the Act').

The functional and presentation currency of Australian Professional Snowsport Instructors Association Incorporated is Australian dollars.

1 Basis of Preparation

These general purpose financial statements that have been prepared in accordance with the *Associations Incorporation Act (NSW) 2009* and Australian Accounting Standards and interpretations of the Australian Accounting Standards Board. The association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Association is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Association and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

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

Sale of goods / merchandise

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

Interest revenue

Interest is recognised on a proportional basis taking into account the interest rates applicable to the financial asset.

Membership fees

Membership fees are recognised as revenue when received.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

2 Summary of Significant Accounting Policies

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. 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 are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

(e) Plant and equipment

Plant and equipment are carried at cost, independent or committees' valuation. All assets excluding freehold land, are depreciated over their useful lives to the Association.

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.

(f) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately.

Financial Assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- available-for-sale financial assets; and
- held-to-maturity investments.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

2 Summary of Significant Accounting Policies

(f) Financial instruments

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the income and expenditure statement in the 'finance income' or 'finance costs' line item respectively.

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. Gains or losses are recognised in profit or loss through the amortisation process when the financial asset is derecognised.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that do not qualify for inclusion in any of the other categories of financial assets or which have been designated in this category.

All available-for-sale financial assets are measured at fair value, with subsequent changes in value recognised in other comprehensive income.

Gains and losses arising from financial instruments classified as available-for-sale are only recognised in profit or loss when they are sold or when the investment is impaired.

In the case of impairment or sale, any gain or loss previously recognised in equity is transferred to the profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired. The Association's financial liabilities include borrowings, trade and other payables, which are measured at amortised cost using the effective interest rate method.

Impairment of Financial Assets

Impairment of financial assets

At the end of the reporting period the Association assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

2 Summary of Significant Accounting Policies

(f) Financial instruments

Impairment of Financial Assets

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance account, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Available-for-sale financial assets

A significant or prolonged decline in value of an available-for-sale asset below its cost is objective evidence of impairment, in this case, the cumulative loss that has been recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. Any subsequent increase in the value of the asset is taken directly to other comprehensive income.

(g) 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.

(h) Employee benefits

Short-term employee benefits

Provision is made for the Association's obligation for short-term employee benefits. Short-term employee benefits are benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

2 Summary of Significant Accounting Policies

(h) Employee benefits

Other long-term employee benefits

Provision is made for employees' leave entitlements not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Any remeasurements of other long-term employee benefit obligations due to changes in assumptions are recognised in profit or loss in which the changes occur.

The association's obligations for long-term employee benefits are presented as non-current provisions in the statement of financial position, except where the association does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

**Notes to the Financial Statements
For the Year Ended 31 December 2017**

2 Summary of Significant Accounting Policies

(i) New Accounting Standards and Interpretations

Standard Name	Effective date for entity	Requirements	Impact
AASB 9: Financial Instruments and associated Amending Standards	1 January 2018	The Standard will be applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments. The key changes that may affect the association on initial application include certain simplifications to the classification of financial assets.	It is impracticable at this stage to provide a reasonable estimate of such impact.
AASB 16: Leases	1 January 2019	When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. The main changes introduced by the new Standard are as follows: -recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets); -depreciation of right-of-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components; -inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date; -application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and -inclusion of additional disclosure requirements.	It is impracticable at this stage to provide a reasonable estimate of such impact.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

2 Summary of Significant Accounting Policies

(i) New Accounting Standards and Interpretations

Standard Name	Effective date for entity	Requirements	Impact
AASB 1058: Income of Not-for-Profit Entities	1 January 2019	<p>This Standard is applicable to transactions that do not arise from enforceable contracts with customers involving performance obligations. The significant accounting requirements of AASB 1058 are as follows:</p> <ul style="list-style-type: none"> -Income arising from an excess of the initial carrying amount of an asset over the related contributions by owners, increases in liabilities, decreases in assets and revenue should be immediately recognised in profit or loss. For this purpose, the assets, liabilities and revenue are to be measured in accordance with other applicable Standards. -Liabilities should be recognised for the excess of the initial carrying amount of a financial asset (received in a transfer to enable the entity to acquire or construct a recognisable non-financial asset that is to be controlled by the entity) over any related amounts recognised in accordance with the applicable Standards. The liabilities must be amortised to profit or loss as income when the entity satisfies its obligations under the transfer. <p>An entity may elect to recognise volunteer services or a class of volunteer services as an accounting policy choice if the fair value of those services can be measured reliably, whether or not the services would have been purchased if they had not been donated. Recognised volunteer services should be measured at fair value and any excess over the related amounts (such as contributions by owners or revenue) immediately recognised as income in profit or loss.</p>	It is impracticable at this stage to provide a reasonable estimate of such impact.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

3 Critical Accounting Estimates and Judgments

Those charged with governance make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgments - Employee benefits

For the purpose of measurement, AASB 119: *Employee Benefits* defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

4 Revenue and Other Income

	2017	2016
	\$	\$
Revenue		
- ASAA Income	26,337	22,030
- Fees - Course & Exam	463,358	414,358
- Sales - Manuals	42,432	44,172
- Sales - Merchandise	4,199	4,989
- Membership Fees	119,864	109,072
- Sponsorship & Interski Income	8,783	3,809
- Interest Received	2,659	7,756
- Other Income	672	1,101
	<u>668,304</u>	<u>607,287</u>

5 Cash and Cash Equivalents

	2017	2016
	\$	\$
Cash on hand	183	2,174
Bank balances	241,248	206,268
Short-term deposits	-	254,158
	<u>241,431</u>	<u>462,600</u>

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements

For the Year Ended 31 December 2017

5 Cash and Cash Equivalents

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

	2017	2016
	\$	\$
Cash and cash equivalents	241,430	462,600
Balance as per statement of cash flows	241,430	462,600

6 Trade and Other Receivables

	2017	2016
	\$	\$
CURRENT		
Trade receivables	19,352	36,190
Provision for impairment	(1,324)	(18,411)
	18,028	17,779

7 Inventories

	2017	2016
	\$	\$
CURRENT		
Stock on hand	25,111	6,633
	25,111	6,633

8 Other Financial Assets

	2017	2016
	\$	\$
CURRENT		
Term Deposit	307,629	-
	307,629	-

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

9 Other Assets

	2017	2016
	\$	\$
CURRENT		
Prepayments	1,706	2,449
Accrued income	223	2,275
	<u>1,929</u>	<u>4,724</u>

10 Property, plant and equipment

	2017	2016
	\$	\$
Plant and equipment		
At cost	27,000	24,109
Accumulated depreciation	(24,425)	(24,109)
	<u>2,575</u>	<u>-</u>

(a) Movements in carrying amounts of property, plant and equipment

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

	Plant and Equipment	Total
	\$	\$
Year ended 31 December 2017		
Balance at the beginning of year	-	-
Additions	2,891	2,891
Depreciation expense	(316)	(316)
Balance at the end of the year	<u>2,575</u>	<u>2,575</u>

	Plant and Equipment	Total
	\$	\$
Year ended 31 December 2016		
Balance at the beginning of year	299	299
Depreciation expense	(299)	(299)
Balance at the end of the year	<u>-</u>	<u>-</u>

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

11 Trade and Other Payables

	2017	2016
	\$	\$
CURRENT		
GST payable	4,659	4,456
Accrued expenses	5,674	6,385
Other payables	9,362	6,374
	<u>19,695</u>	<u>17,215</u>

12 Fees received in advance

	2017	2016
	\$	\$
CURRENT		
Membership fees in advance	50,451	38,269
Training fees in advance	-	25,864
	<u>50,451</u>	<u>64,133</u>

13 Employee Benefits

	2017	2016
	\$	\$
Current liabilities		
Long service leave	20,609	19,135
Annual leave provisions	10,069	7,958
	<u>30,678</u>	<u>27,093</u>

	2017	2016
	\$	\$
Non-current liabilities		
Long service leave	2,712	1,671
	<u>2,712</u>	<u>1,671</u>

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

14 Financial Risk Management

The Association is exposed to a variety of financial risks through its use of financial instruments.

The Association's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Association is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - interest rate risk

Financial instruments used

The principal categories of financial instrument used by the Association are:

- Trade receivables
- Cash at bank
- Trade and other payables

Liquidity risk

Liquidity risk arises from the Association's management of working capital. It is the risk that the Association will encounter difficulty in meeting its financial obligations as they fall due.

The Association's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Association maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by the ability to sell long-term financial assets.

The Association manages its liquidity needs by carefully monitoring cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Association expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

The Association's liabilities have contractual maturities which are summarised below:

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

14 Financial Risk Management

Liquidity risk

	1 to 3 months		Total	
	2017	2016	2017	2016
	\$	\$	\$	\$
Trade and other payables	15,036	12,759	15,036	12,759
	<u>15,036</u>	<u>12,759</u>	<u>15,036</u>	<u>12,759</u>

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Association.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Association has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

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

The following table details the Association's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Association and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Association.

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

14 Financial Risk Management

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

	Gross amount	Past due and impaired	Within initial trade terms
	\$	\$	\$
2017			
Trade receivables	19,352	1,324	18,028
	<u>19,352</u>	<u>1,324</u>	<u>18,028</u>
2016			
Trade receivables	36,190	18,411	17,779
	<u>36,190</u>	<u>18,411</u>	<u>17,779</u>

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

The other classes of receivables do not contain impaired assets.

Market risk

Interest rate risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The association is exposed to earnings volatility on floating rate instruments. The financial instruments that expose the association to interest rate risk are limited to cash and cash equivalents.

The Association's policy is to minimise interest rate cash flow risk exposures. The association manages interest rate risk by ensuring that, whenever possible, payables are paid within any pre-agreed credit terms.

15 Auditors' Remuneration

	2017	2016
	\$	\$
Remuneration of the auditor of the association, Hardwickes Chartered Accountants, for: - auditing or reviewing the financial statements	3,350	3,200
	<u>3,350</u>	<u>3,200</u>

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

Notes to the Financial Statements For the Year Ended 31 December 2017

16 Contingencies

In the opinion of the Committee of Management, the Association did not have any contingencies at 31 December 2017 (31 December 2016:None).

17 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2017	2016
	\$	\$
Surplus for the year	111,543	72,017
Non-cash flows in profit:		
- depreciation	10(a) 316	299
- impairment of receivables	-	18,411
Changes in assets and liabilities:		
- decrease/(increase) in trade and other receivables	1,803	(2,425)
- decrease/(increase) in prepayments	743	(3,390)
- (increase)/decrease in inventories	(18,478)	15,167
- (decrease)/increase in income in advance	(13,682)	31,335
- (decrease)/increase in trade and other payables	2,480	(11,516)
- (decrease)/increase in employee benefits	4,626	8,489
Cashflow from operations	<u>89,351</u>	<u>128,387</u>

18 Events after the end of the Reporting Period

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.

19 Association Details

The registered office of the association is:
Australian Professional Snowsport Instructors Association
Incorporated
Unit 3/ 1 Penders Court
Jindabyne NSW 2627

Australian Professional Snowsport Instructors Association Incorporated

ABN: 34 519 216 085

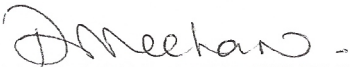
Statement by Members of the Committee

In the opinion of the committee the financial report as set out on pages 3-16:

1. Present fairly the financial position of Australian Professional Snowsport Instructors Association Incorporated as at 31 December 2017 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that Australian Professional Snowsport Instructors Association Incorporated will be able to pay its debts as and when they fall due.

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

President 
Anthony Hill

Treasurer 
Deborah Meehan

Dated 17/5/18

Independent Audit Report to the members of Australian Professional Snowsport Instructors Association Incorporated

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Professional Snowsport Instructors Association Incorporated (the Association), which comprises the statement of financial position as at 31 December 2017, the income and expenditure statement, 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 the declaration by those charged with governance.

In our opinion, the accompanying financial report presents fairly, in all material respects, including:

- (i) giving a true and fair view of the Association's financial position as at 31 December 2017 and of its financial performance and its cash flows for the year ended; and
- (ii) complying with Australian Accounting Standards.

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.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial report in accordance with the Associations Incorporation Act (NSW) 2009 and Associations Incorporation Regulation (NSW) 2010, and for such internal control as management determines is necessary to enable the preparation of the financial report is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the 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 management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

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 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 committee.
- Conclude on the appropriateness of the committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to the 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 the 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.

We communicate with the committee 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.

Hardwicks
Chartered Accountants

Robert Johnson FCA
Partner

Canberra