THE ENDOCRINE SOCIETY OF AUSTRALIA

A.B.N. 80 006 631 125

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2017

THE ENDOCRINE SOCIETY OF AUSTRALIA

A.B.N. 80 006 631 125

DIRECTOR'S REPORT

Your directors present their report on the company for the year ended 30 June 2017.

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

Assoc Prof Timothy Cole – BSc (Hons) PhD – Senior Lecturer
Dr Mathis Grossmann– MD,PhD, FRACP – Research Fellow (appointed August 2016)
Dr Warrick Inder – MBChb, MD – Senior lecturer in medicine
Prof Helena Teede – MBBS, FRACP, PhD – Professor of medicine
Prof Bu Beng Yeap – MBBS, FRACP, PhD – Professor of medicine
Prof C Chen – MD, PhD – Professor of medicine
Dr B Henry – BSc (Hons), PhD – Research Fellow
Dr N Hodyl – BSc (Hons1), PhD, GC (Biostats) – Research Fellow
A/Prof A Sinha – MBBS, MD, FRACP
Dr M Burt – BHB, MBChB, FRACP, PhD
Dr C Harrison - 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.

Assoc Prof Timothy Cole was appointed company secretary on 31 August 2010.

OPERATING RESULTS
The company produced a net profit (loss) after income tax for the financial year of $261,502 (2016: $170,998).

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 promote the advancement of knowledge in endocrinology and metabolism.
- 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 & LONG TERM OBJECTIVES
The short and long term objectives of the company are to prudently manage the resources of the company to ensure its financial survival to allow the promotion and advancement of the knowledge of endocrinology and metabolism.

KEY PERFORMANCE MEASURES
The company measures its performance on the basis of short to medium term profitability and the number of members that subscribe to it (2017: 786 members; 2016: 797 members).

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 the Association for legal liability in respect of the activities of the company

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

DIRECTORS MEETINGS

During the year ended 30 June 2017, five meetings of the company's directors were held.

For each director, particulars of the relevant numbers of meetings held and attended during the period of directorship are shown below:

DIRECTORS' REPORT (Continued)

Director	Meetings Eligible To Attend	Meetings Attended
A. Prof T Cole	5	5
Dr W Inder	5	5
Prof H Teede	5	5
Prof Bu Beng Yeap	5	5
Prof C Chen	5	3
Dr B Henry	5	5
Dr N Hodyl	5	4
Dr A Sinha	5	3
Dr M Burt	5	5
Dr C Harrison	5	4
Dr M Grossmann	5	5

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 each towards meeting any outstanding obligations of the entity. At 30 June 2017, the total amount that members of the company are liable to contribute if the company is wound up is $78,600 (2016 $79,700).

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5.

Signed in accordance with a resolution of the Board of Directors.

Director:

Dated this day of 2017

THE ENDOCRINE SOCIETY OF AUSTRALIA

A.B.N. 80 006 631 125

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 2017 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, 2017

TINWORTH & Co

CHARTERED ACCOUNTANT and BUSINESS ADVISORS

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF

ENDOCRINE SOCIETY OF AUSTRALIA

Opinion

We have audited the attached financial report of Endocrine Society of Australia ("the entity") which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of recognised income and expenditure, cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the Directors' Report.

In our opinion, the accompanying financial report of Endocrine Society of Australia is in accordance with the Corporations Act 2001, including:

1. giving a true and fair view of the Company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
2. complying with Australian Accounting Standards , and the Corporations Regulations 2001.

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 Directors in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standard 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 of our opinion.

Responsibilities of the Directors for the financial report

The directors are responsible for the preparation and fair presentation of the financial report that gives a true and fair view and have determined the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes 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.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the members either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility

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 misstatements 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 of our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, international 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 director's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by members.

- Conclude on the appropriateness of the company's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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 achieved fair representation.

We communicate with the directors' 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.

MARK TINWORTH
CHARTERED ACCOUNTANT

Dated this day of 2017

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DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 8 to 27 are in accordance with the Corporations Act 2001:

   (a) comply with Accounting Standards and;

   (b) give a true and fair view of the company's financial position as at 30 June 2017 and of its performance for the year ended on that of the entity.

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.

This declaration is made in accordance with a resolution of the Board of Directors.

Director:

Dated this day of 2017

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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
		$	$
Revenue	2	1,079,579	933,394
Administration expense		(53,830)	(51,244)
Meeting expense		(599,794)	(524,330)
Depreciation expense		-	(636)
Award expense		(118,226)	(143,721)
Employee benefit expenses		(46,227)	(42,465)
Profit (Loss)before income tax		261,502	170,998
Income tax expense	1	-	-
Profit (loss) for the year after income tax		261,502	170,998
Other comprehensive income			
Net Profit (loss) on financial assets		-	(165,623)
Income tax expense on other comprehensive income		-	-
Other comprehensive income (loss) for the year after tax		261,502	(165,623)
Total comprehensive income (loss) for the year		261,502	5,375

The accompanying notes form part of this financial report.

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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	Note	2017	2016
		$	$
CURRENT ASSETS			
Cash and cash equivalents	5	519,949	449,820
Trade and other receivables	6	142,319	131,141
Other current assets	7	5,054	3,306
TOTAL CURRENT ASSETS		667,322	584,267
NON-CURRENT ASSETS			
Financial assets	8	1,759,584	1,632,154
Plant & equipment	9	-	-
Intangibles		793	793
TOTAL NON-CURRENT ASSETS		1,760,377	1,632,947
TOTAL ASSETS		2,427,699	2,217,214
CURRENT LIABILITIES			
Trade & other payables	10	20,558	16,473
TOTAL LIABILITIES		20,558	16,473
NET ASSETS		2,407,141	2,200,741
MEMBERS' FUNDS			
Reserves	16	-	55,101
Retained earnings		2,407,141	2,145,640
TOTAL MEMBERS' FUNDS		2,407,141	2,200,741

The accompanying notes form part of this financial report.

THE ENDOCRINE SOCIETY OF AUSTRALIA
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	Note	Retained Earnings	Financial Asset Reserve
Balance 1 July 2014		1,925,368	176,966
Increase (decrease) in the value of financial assets		-	43,758
Profit(loss) for the 2015 year		49,274	-
Balance as at 30 June 2015		1,974,642	220,724
Increase (decrease) in the value of financial assets		-	(165,623)
Profit (loss) for the 2016 year		170,998	-
Balance as at 30 June 2016		2,145,640	55,101
Increase (decrease) in the value of financial assets			(55,101)
Profit (loss) for the 2017 year		261,502	-
Balance as at 30 June 2017		2,407,141	-

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017	2016
		$	**$**
CASH FLOWS FROM OPERATING ACTIVITIES			
Members' & customers' receipts		939,856	814,028
Interest received		7,878	8,499
Payments to suppliers		(819,371)	(801,909)
Net Cash Generated from Operating Activities	14	128,363	20,618
Cash flows from Investing Activities			
Proceeds from disposal of investments		222,570	1,144,385
Purchase of investments		(280,804)	(1,201,972)
Net cash flows from Investing Activities		(58,234)	(57,587)
Net Increase (Decrease) in Cash Held		70,129	(36,969)
Cash at the beginning of the financial year		449,820	486,789
Cash at the end of the financial year	5	519,949	449,820

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers the Endocrine Society of Australia as an individual entity. The Endocrine Society of Australia is a company limited by guarantee.

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 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.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial assets at fair value through profit & loss

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 it 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 assets fair value less cost to sell and value in use, is compared to the assets carrying value.

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

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.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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.

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%

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

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.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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.

Liability of Members'
The company is limited by guarantee. If the company is wound up, the company's Constitution states that in the event of there being a deficiency of net assets on winding up, each member undertakes to contribute a sum not exceeding one hundred dollars per person. As at 30 June 2017 the number of members was 786

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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 Endocrine Society of Australia

AASB 9: Financial Instruments and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018)

These Standards are applicable retrospectively (subject to the provisions on hedge accounting) and include revised requirements for the classification and measurement of financial instruments, revised recognition and derecognition requirements for financial instruments, and simplified requirements for hedge accounting

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 16 Lease (applicable to annual reporting periods beginning on or after 1 January 2019)
  When effective, this Standard will replace the current accounting requirements applicable in AASB 117 Leases and related interpretations. AASB 16 introduces a single lease accounting model that eliminates the requirement for leases to be classified as either operating or finance leases.

  The main changes introduced by the new Standard

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

- requirement to recognise leases at an arms-length value where the terms of the lease are not at commercial rates.

Although the directors anticipate that the adoption of AASB 16 will impact the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 1058 Income of Not-for-profit Entities (applicable to annual reporting periods beginning on or after 1 January 2019)

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:

- 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 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

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 service would have been purchased 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

Although the directors anticipate that the adoption of AASB 1058 will impact the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

AASB 2016-4: Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash Generating Specialised Assets of Not-for–Profit Entities (applicable to annual reporting periods beginning on or after 1 January 2017).

This Standard amends AASB 136 Impairment of Assets to remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities; and clarify that AASB 136 does not apply to non-cash generating specialised assets that are regularly revalued to fair value under the revaluation model in AASB 116 and AASB 138 Intangible Assets, but applies to such assets accounted for under the cost model in those Standards.

AASB 2016-4 is not expected to have a significant impact on the company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

	2017 $	2016 $
2 REVENUE AND OTHER INCOME		
Interest	7,793	8,280
Membership	105,544	106,528
Endowment fund	1,590	1,505
Women in endocrinology	2,000	2,000
Managed funds distributions	66,392	73,731
Gain on sale of Investment	124,297	127,492
Award sponsorship	17,000	6,500
Meeting revenue	754,086	607,324
Sundry	877	34
	1,079,579	933,394
3 PROFIT FOR THE YEAR		
Determined after taking account of:		
Depreciation expense	-	636
4 AUDITORS REMUNERATION		
Auditing financial report	4,624	4,516
5 CASH		
Cash at bank – cheque account	171,413	109,102
Term deposits	348,536	340,718
	519,949	449,820

The effective interest rate on short-term bank deposits was 2.26% (2016: 2.51%); these deposits have an average maturity of 183 days

	2017 $	2016 $
6 RECEIVABLES		
Distributions receivable	42,797	50,554
Conference accounts	96,624	77,604
Accrued interest	2,898	2,983
	142,319	131,141

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

	2017	2016
	$	$

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.

2017	Gross Amount	Past due & impaired	Past due but not impaired (Days overdue)				Within initial trade terms
			<30	31-60	61-90	>90	
	$	$	$	$	$	$	$
Conference Accounts	96,624	-	-	-	-	96,624	-
Interest receivable	2,898	-	-	-	-	-	2,898
Distribution receivable	42,797	-	42,797	-	-	-	-
Total	142,319	-	42,797	-	-	96,624	2,898

2016	Gross Amount	Past due & impaired	Past due but not impaired (Days overdue)				Within initial trade terms
			<30	31-60	61-90	>90	
	$	$	$	$	$	$	$
Conference Accounts	77,604	-	-	-	-	77,604	-
Interest receivable	2,983	-	-	-	-	-	2,983
Distribution receivable	50,554	-	-	-	-	-	50,554
Total	131,141	-	-	-	-	77,604	53,537

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

	2017	2016
Trade and other receivables		
- total current	142,319	131,141

THE ENDOCRINE SOCIETY OF AUSTRALIA
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017 $	2016 $
7 OTHER CURRENT ASSETS		
Prepayments	5,054	3,306
8 FINANCIAL ASSETS		
Managed funds – at fair value	1,759,584	1,632,154
9 PROPERTY, PLANT AND EQUIPMENT		
Office equipment – at cost	12,925	12,925
Less accumulated depreciation	(12,925)	(12.925)
	-	-

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

	2017 $	2016 $
Balance at the beginning of the year	-	636
Additions	-	-
Depreciation expense	-	(636)
Carrying amount at end of year	-	-

10 TRADE AND OTHER PAYABLES

	2017 $	2016 $
Other payables	4,139	5,528
Employee entitlements	8,244	7,075
GST payable	8,175	3,870
	20,558	16,473

Financial liabilities at amortised cost classified as trade and other payables

	2017 $	2016 $
Trade and other payables		
- total current – net amount of GST payable	12,383	12,603
less: employee entitlements	8,175	7,076
Financial liabilities as trade & other payables	4,139	5,527

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

	2017	2016
	$	$

11 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.

12 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 Directors' 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.

13 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.

14 CASH FLOW INFORMATION

Reconciliation of profit or loss from ordinary Activities after income tax with net cash flows from operations

	2017 $	2016 $
Net profit (loss) after income tax	261,502	170,998
Non cash flows		
- Depreciation	-	636
- Gain on disposal of financial assets	(124,297)	(127,492)
Changes in assets and liabilities		
- Decrease (increase) in trade & other receivables	(11,178)	(5,834)
- Decrease (increase) in prepayments	(1,748)	1,927
- (Decrease) Increase in trade & other payables	4,084	(19,617)
Net Cash (used in) provided by operations	128,363	20,618

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 2017.

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:

15 FINANCIAL INSTRUMENTS (continued)

	2017 $	2016 $
Financial assets		
Cash & cash equivalents	171,413	109,102
Short term deposits	348,536	340,718
Trade & other receivables	142,319	131,141
Financial assets – available for sale	1,759,584	1,632,154
Total financial assets	2,421,852	2,213,115
Financial liabilities – net of GST payable		
Trade & other payable	4,139	5,527
Total financial liabilities	4,139	5,527
	2,417,713	2,207,588

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 1.61% (2016:1.71%)

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	171.413	109,102
Short term deposits	348,536	340,718
	519,949	449,820

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

	2017	2016
	$	$

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	4,139	5,527
Total expected outflows	4,139	5,527
Financial assets – cash flows realisable		
Cash & cash equivalents	519,949	449,820
Trade & other receivables	142,319	131,141
Total anticipated inflows	662,268	580,961
Net inflows on financial instruments	658,129	575,434

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.

	2017	2016
	$	$

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 counterparties with a Standard & Poor's (S&P) rating of at least A. The following table provides information regarding the credit risk relating to cash based on S&P counterparty credit ratings.

	2017	2016
Cash and cash equivalents		
A-1+ rated	519,949	449,820
	519,949	449,820

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.

	2017		2016	
	Net carrying value	Net fair value	Net carrying value	Net fair value
Financial assets				
Cash & cash equivalents	519,949	519,949	449,820	449,820
Trade & other receivables	142,319	142,319	131,141	131,141
Available for sale financial assets	1,759,584	1,759,584	1,632,154	1,632,154
Total financial assets	2,421,852	2,421,852	2,213,115	2,213,115
Financial Liabilities				
Trade & other payables	4,139	4,139	5,527	5,527
Total financial liabilities	4,139	4,139	5,527	5,527

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

	2017	2016
	$	$

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.

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 2017 and 30 June 2016 are as follows:

	Note	2017	2016
Total borrowings		-	-
Less cash on hand	5	(519,949)	(449,820)
Net Debt		-	-
Total equity (retained surplus)		2,407,141	2,200,741,
Total capital		2,407,141	2,200,741
Gearing ratio		0%	0%

Sensitivity analysis
The following table illustrates sensitivities to the company's exposures to changes in interest rates and managed fund prices. 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 2017	$	$
+/- 2% in interest rates	+/- 9,663	+/- 9,663
+/- 10% in managed funds	+/- 169,334	+/-169,334
Year ended 30 June 2016		
+/- 2% in interest rates	+/- 9,094	+/- 9,094
+/- 10% in managed funds	+/- 162,243	+/- 162,243

	2017 $	2016 $

17 RESERVES

Financial asset reserve

The financial asset reserve records revaluation increments and decrements (that do not represent impairment write downs) that relate to financial assets that are classified as available-for-sale. A change in accounting standards now requires unrealised gains and losses to be taken directly to the profit & loss statement.

18 KEY MANAGEMENT PERSONNEL COMPENSATION

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

	2017 $	2016 $
Short-term employee benefits	31,817	38,308
Post employment benefits	22,809	3,511
	54,626	41,819

19 COMPANY DETAILS

The registered office of the company is:

The Endocrine Society of Australia
145 Macquarie Street
Sydney NSW 2000

The principal place of business is:

The Endocrine Society of Australia
145 Macquarie Street
Sydney NSW 2000

TINWORTH & Co

CHARTERED ACCOUNTANT and BUSINESS ADVISORS

COMPILATION REPORT

TO THE ENDOCRINE SOCIETY OF AUSTRALIA

On the basis of information provided by the Directors of the Endocrine Society of Australia, we have compiled in accordance with APES 315: 'Statement on Compilation of Financial Reports', the special purpose financial report of the Endocrine Society of Australia for the year ended 30 June 2017, 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, 2017

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

PRINCIPAL: MARK TINWORTH CA

THE ENDOCRINE SOCIETY OF AUSTRALIA
DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

PRIVATE INFORMATION FOR THE DIRECTORS
ON THE 2017 FINANCIAL STATEMENTS

	Note	2017	2016
INCOME		**$**	**$**
Subscriptions		105,544	106,528
Endowment fund		1,590	1,505
Women in Endocrinology		2,000	2,000
Managed funds distributions		66,392	73,731
Award sponsorship		17,000	6,500
Gain on disposal of investments		124,297	127,492
Meeting proceeds		754,086	607,324
Interest		7,793	8,280
Other sundry income		877	34
Total Income		1,079,579	933,394
EXPENDITURE			
Audit & accounting fees		4,624	4,516
Award expenses		116,726	142,221
Bank charges & merchant fees		3,125	2,886
Dues & subscriptions		10,840	4,911
Depreciation		-	636
Filing fee		123	46
Financial advice		15,916	15,335
Insurance		2,743	2,897
Meetings		595,691	524,330
Newsletter expense		1,523	1,500
ESA Strategy meeting		4,103	-
Servier award		1,500	1,500
Office expense		3,243	7,335
Secretariat expenses		46,227	42,465
Rent expense		8,314	9,429
Website		3,379	2,389
Total Expenses		818,077	762,396
Profit (Loss) from ordinary activities before income tax		261,502	170,998

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