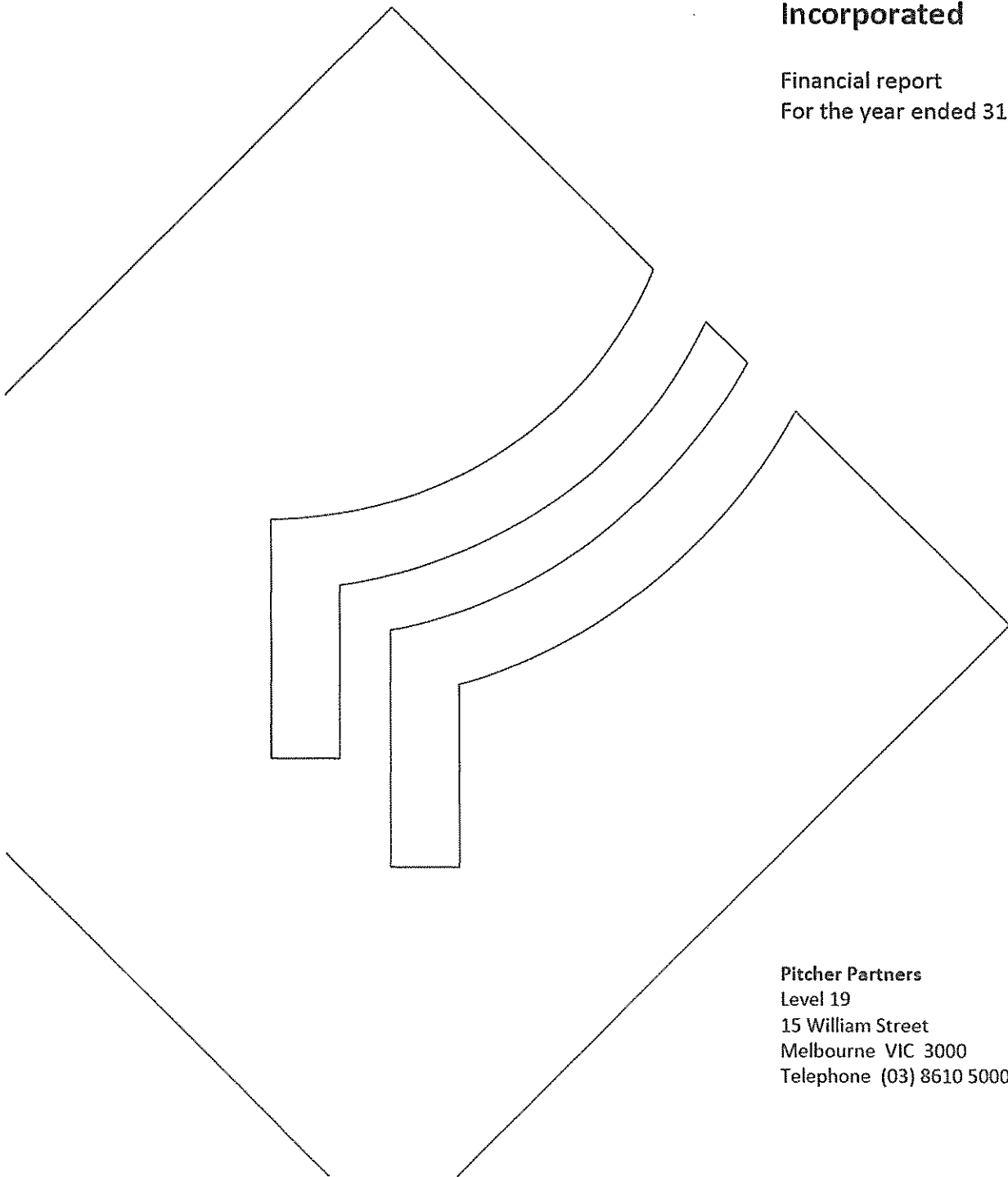




**Association of Rhodes  
Scholars in Australia  
Incorporated**

Financial report  
For the year ended 31 December 2018



**Pitcher Partners**  
Level 19  
15 William Street  
Melbourne VIC 3000  
Telephone (03) 8610 5000

## TABLE OF CONTENTS

Committees' report .....	1 - 2
Financial report	
Statement of profit or loss and other comprehensive income .....	3
Statement of financial position .....	4
Statement of changes in members funds .....	5
Statement of cash flows .....	6
Notes to financial statements .....	7 - 9
Statement by members of the committee .....	10
Independent auditor's report .....	11 - 13

## ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED

### COMMITTEES' REPORT

The committee members present their report together with the financial report of Association of Rhodes Scholars in Australia Incorporated for the year ended 31 December 2018 and auditor's report thereon.

#### **Committee members names**

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

Timothy Orton

Kate Vinot

John McKenna

Laura Hilly (Appointed 17 March 2018)

Marnie Hughes-Warrington

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

#### **Results**

The loss of the association for the year after providing for income tax amounted to \$1,003 (2017: \$4,537).

#### **Principal activities**

The principal activity of the association during the year was to further the aims of the founders of the Rhodes Scholarships by raising money through subscriptions for the ARSA Scholarship scheme.

#### **After balance date events**

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.

#### **Likely developments**

The association expects to maintain the present status and level of operations.

#### **Auditor's independence declaration**

A copy of the auditor's independence declaration in relation to the audit for the financial year is provided with this report.

ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED

COMMITTEES' REPORT

Signed on behalf of the members of the committee.

Committee member: \_\_\_\_\_



Timothy Orton

Dated this

22

day of

FEBRUARY

2019

**ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
<b>Revenue and other income</b>			
Revenue	2	<u>13,012</u>	<u>3,105</u>
	2	<u>13,012</u>	<u>3,105</u>
<b>Less: expenses</b>			
Management fees		(13,340)	-
Trybooking fees		(675)	-
Other expenses		<u>-</u>	<u>(7,642)</u>
		<u>(14,015)</u>	<u>(7,642)</u>
<b>Deficiency before income tax expense</b>		(1,003)	(4,537)
<b>Other comprehensive income for the year</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>		<u><u>(1,003)</u></u>	<u><u>(4,537)</u></u>

The accompanying notes form part of these financial statements.

**ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2018**

	Note	2018 \$	2017 \$
<b>Current assets</b>			
Cash and cash equivalents	4	<u>33,714</u>	<u>13,687</u>
<b>Total current assets</b>		<u>33,714</u>	<u>13,687</u>
<b>Total assets</b>		<u>33,714</u>	<u>13,687</u>
<b>Current liabilities</b>			
Payables	5	1,670	-
Other liabilities	6	<u>19,360</u>	<u>-</u>
<b>Total current liabilities</b>		<u>21,030</u>	<u>-</u>
<b>Total liabilities</b>		<u>21,030</u>	<u>-</u>
<b>Net assets</b>		<u>12,684</u>	<u>13,687</u>
<b>Members funds</b>			
Accumulated surplus		<u>12,684</u>	<u>13,687</u>
<b>Total members funds</b>		<u>12,684</u>	<u>13,687</u>

The accompanying notes form part of these financial statements.

ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED

STATEMENT OF CHANGES IN MEMBERS FUNDS  
FOR THE YEAR ENDED 31 DECEMBER 2018

	Accumulated surplus \$	Total equity \$
Balance as at 1 January 2017	18,224	18,224
Deficiency for the year	<u>(4,537)</u>	<u>(4,537)</u>
Total comprehensive income for the year	<u>(4,537)</u>	<u>(4,537)</u>
Balance as at 31 December 2017	<u>13,687</u>	<u>13,687</u>
Balance as at 1 January 2018	13,687	13,687
Deficiency for the year	<u>(1,003)</u>	<u>(1,003)</u>
Total comprehensive income for the year	<u>(1,003)</u>	<u>(1,003)</u>
Balance as at 31 December 2018	<u>12,684</u>	<u>12,684</u>

The accompanying notes form part of these financial statements.

**ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018	2017
		\$	\$
<b>Cash flow from operating activities</b>			
Receipts from members		32,355	3,090
Payments to suppliers and employees		(12,345)	(7,642)
Interest received		<u>17</u>	<u>15</u>
<b>Net cash provided by / (used in) operating activities</b>		<u>20,027</u>	<u>(4,537)</u>
 <b>Reconciliation of cash</b>			
Cash at beginning of the financial year		13,687	18,224
Net increase / (decrease) in cash held		<u>20,027</u>	<u>(4,537)</u>
<b>Cash at end of financial year</b>		<u>33,714</u>	<u>13,687</u>

The accompanying notes form part of these financial statements.



ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

**NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

The financial report is a general purpose financial report that has been prepared in accordance with the *Associations Incorporation Act 1991* and Australian Accounting Standards - Reduced Disclosure Requirements, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board.

Association of Rhodes Scholars in Australia Incorporated is a not-for-profit entity for the purpose of preparing the financial statements.

The financial report was approved by the committee as at the date of the committees' report.

The following are the significant accounting policies adopted by the association in the preparation and presentation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

**(a) Basis of preparation of the financial report**

*Historical Cost Convention*

The financial report has been prepared under the historical cost convention, as modified by revaluations to fair value for certain classes of assets and liabilities as described in the accounting policies.

**(b) Revenue**

Membership fees are recognised as revenue when no significant uncertainty as to its collectibility exists, if the fee relates only to membership and all other services or products are paid for separately, or if there is a separate annual subscription. Membership fees are recognised on a basis that reflects the timing, nature and value of the benefit provided if the fee entitles the member to services or publications to be provided during the membership period, or to purchase goods or services at prices lower than those charged to non-members.

Additional contributions are recognised as revenue upon receipt.

Interest revenue is measured in accordance with the effective interest method.

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

**(c) Income tax**

No provision for income tax has been raised as the association is exempt from income tax based on the concept of mutuality.

**(d) Comparatives**

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

**ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	\$	\$
<b>NOTE 2: REVENUE AND OTHER INCOME</b>		
Revenue		
Membership fees	7,800	3,090
Interest income	17	15
Additional member contributions	<u>5,195</u>	<u>-</u>
	<u>5,212</u>	<u>15</u>
	<u>13,012</u>	<u>3,105</u>

**NOTE 3: KEY MANAGEMENT PERSONNEL COMPENSATION**

The committee members were not remunerated for the year ended 31 December 2018.

The names of committee members who have held office during the year are:

<b>Name</b>	<b>Appointment / resignation details</b>
Timothy Orton	Appointed 29 April 2017
Kate Vinot	Appointed 29 April 2017
John McKenna	Appointed 29 April 2017
Laura Hilly	Appointed 17 March 2018
Marnie Hughes- Warrington	Appointed 29 April 2017

**NOTE 4: CASH AND CASH EQUIVALENTS**

Community Solutions Cheque Acc	15,858	13,682
Business Max-i Direct	5	5
Trybooking Fund	<u>17,851</u>	<u>-</u>
	<u>33,714</u>	<u>13,687</u>

**NOTE 5: PAYABLES**

**CURRENT**

*Secured liabilities*

Accrued management fees	<u>1,670</u>	<u>-</u>
-------------------------	--------------	----------

ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED

NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	\$	\$
<b>NOTE 6: OTHER LIABILITIES</b>		
CURRENT		
Membership fees in advance	<u>19,360</u>	<u>-</u>

**NOTE 7: RELATED PARTY TRANSACTIONS**

**(a) Related party disclosure**

An entity controlled by Tim Orton provides the Association of Rhodes Scholars in Australia Incorporated additional services on an arms length cost recovery basis.

**ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED**

**STATEMENT BY MEMBERS OF THE COMMITTEE**

In the opinion of the committee the financial report as set out on pages 3 - 9:

1. Presents fairly the financial position of Association of Rhodes Scholars in Australia Incorporated as at 31 December 2018 and performance for the year ended on that date in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and other mandatory professional reporting requirements.
2. At the date of this statement, there are reasonable grounds to believe that Association of Rhodes Scholars in Australia Incorporated 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 committee and is signed for and on behalf of the committee by:

President \_\_\_\_\_



Timothy Orton

Dated this

22

day of

FEBRUARY

2019

**ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED****INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED****Report on the Audit of the Financial Report***Opinion*

We have audited the financial report of Association of Rhodes Scholars in Australia Incorporated, "the Association", which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, statement of changes in members funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the statement by members of the committee.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with the financial reporting requirements of Associations Incorporation Act 1991.

*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 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 for the Financial Report*

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Association'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 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.

**ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED****INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED***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 for 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 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 our 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.

ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ASSOCIATION OF RHODES SCHOLARS IN AUSTRALIA INCORPORATED



M J HARRISON

Partner

Date



PITCHER PARTNERS

Melbourne