

Board of Directors

M Patel (Chair)
D K Martin
S E Graves
J B North
P Smith

ABN 94 082 552 574



Research Advisory Committee

M K Patel (Chair)
R Miller
M Richardson
A Skirving
I Harris

AOA RESEARCH FOUNDATION LTD

**ANNUAL REPORT
YEAR ENDED 30 JUNE 2017**

Directors' Report for the Year Ended 30 June 2017

Your directors present this report on the AOA Research Foundation Limited for the financial year ended 30 June 2017.

Directors

The name of each person who has been a director during the year and to the date of this report are:

Director	Title*	Appointed/Resigned
M Patel	Chairman	Appointed 12/10/2010
S E Graves	General Director	Appointed 13/10/1999
D K Martin	General Director/Treasurer	Appointed 09/10/2013
J B North	General Director	Appointed 21/02/2009
P N Smith	General Director	Appointed 21/12/2009
A W Wang	General Director	Resigned 09/07/2017

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

*Title as at 30 June 2017 or upon resignation

Directors' Qualifications

Each director is an orthopaedic surgeon

Chief Executive and Company Secretary

Mr. Adrian Cosenza BCom, MCom, MBA (IMD), FCPA, FAICD, FFinsia (appointed 22 July 2010).

Principal Activities

The principal activity of the Foundation during the year was to give effect to the objectives of the company, described below.

The company's objectives, both short and long term, are to

- I) promote and carry out research in the field of orthopaedic medicine.
- II) provide research training in the field of orthopaedic medicine for postgraduate students and research fellows in both science and medicine through the establishment of scholarships, fellowships and prizes,
- III) support the submission and publication of scholarly contributions to journals, magazines, books and electronic media which report to the medical and scientific community on research in the field of orthopaedic medicine,
- IV) conduct and support lectures, workshops, symposia and conferences for the purpose of promoting research and disseminating knowledge in the field of orthopaedic medicine, and
- V) promote an improved public understanding of scientific and medical developments in the field of orthopaedic medicine

The company's strategy for advancing its objectives is to award research grants to applicant's whose research proposals are adjudged likely to advance the objectives of the company.

The company's principal activity during the year was the awarding of grants for the purpose of facilitating research in the field of orthopaedic medicine and surgery.

The grants awarded advanced the company's objectives by facilitating research in the field of orthopaedic medicine and surgery.

AOA RESEARCH FOUNDATION LIMITED
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Key Performance Measures

The effectiveness of the company's strategy of awarding grants for research is measured by oversight of the research by an advisory committee of eminent orthopaedic surgeons, and by requiring beneficiaries of grants to report to their peers annually on their research at the Australian Orthopaedic Association's annual scientific meeting.

		2017	2016
Grants awarded -	number	5	7
-	value	\$125,588	\$158,500

Meeting Attendances

During the financial year two meetings of directors were held. Attendances by each director were as follows:

	Number Eligible to attend	Number attended
M Patel	2	2
S E Graves	2	1
D K Martin	2	2
J B North	2	2
P N Smith	2	2
A W Wang	2	1

Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 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 \$2,090 (2016 \$2,420).

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2017 can be found on page 3 of this directors' report.

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



M Patel
Chairman



D K Martin
Director

Dated this 11 th day of September 2017

Auditors' Independence Declaration

Under Section 60-40 of the Australian Charities and Not-For-Profits Commission Act 2012

To the Directors of Australian Research Foundation Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been no contraventions of:

- a. the auditor independence requirements as set out in *the Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b. any applicable code of professional conduct in relation to the audit.



Roger Williams

Engagement Partner

11th September 2017

Stirling International
Chartered Accountants
Level 3, 225 Clarence Street
Sydney, NSW 2000



STIRLING INTERNATIONAL

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT to the members of Australian Research Foundation Limited

Opinion

In our opinion, the financial report of Australian Research Foundation Limited for the year ended 30 June 2017 is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of Australian Research Foundation Limited's financial position as at 30 June 2017 and of its performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1.

The financial report of Australian Research Foundation Limited, which we have audited, comprises the following statements as at 30 June 2017 and for the year then ended:

- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Statement of Cash Flows;
- Notes to the financial statements, comprising a Summary of Significant Accounting Policies and other explanatory information; and
- Directors' Declaration.

Basis for Opinion

We conducted our audit in accordance with Auditing Standards, which incorporate the 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 Australian Orthopaedic Association in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and the relevant ethical requirements for financial report audits. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants*. We have also fulfilled our other responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of Australian Orthopaedic Association, would be in the same terms if given to the directors as at the time of this auditor's report.

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Liability limited by a scheme approved under Professional Standards Legislation



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

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.

Directors' Responsibility for the Financial Report

The directors of Australian Research Foundation Limited are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibilities also include such internal control the directors determine is necessary to enable the preparation of the 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 Australian Research Foundation Limited's ability to continue as a going concern, disclosing matters related to going concern as applicable and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is 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 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 the financial report.

As part of an audit in accordance with the 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 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 achieves fair presentation.

We communicate with those charged with governance 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Stirling International

Roger Williams
Engagement Partner
Level 3, 225 Clarence Street, Sydney, NSW 2000
11th September 2017

AOA RESEARCH FOUNDATION LIMITED
ABN 94 082 552 574

DIRECTORS' DECLARATION

The directors of the AOA Research Foundation declare that in the Directors' opinion:

- A. The financial statements and notes, as set out on pages 8 to 15 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
- (i) comply with Australian Accounting Standards; and
 - (ii) give a true and fair view of the financial position as at 30 June 2017 and of its performance for the year ended on that date.
- B. 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 signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.



M Patel
Chairman



D K Martin
Director/Honorary Treasurer

Dated this 11th day of September 2017

AOA Research Foundation Limited

ABN 94 082 552 574

Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Revenue			
Revenue from ordinary activities		149,765	175,490
Finance revenue		308,823	157,808
Total revenue	2	458,588	333,298
Expenses			
Grants awarded		125,588	158,500
Administration expenses		6,265	4,424
Audit fees		3,000	3,000
Finance expenses		35,946	19,472
Total expenses		170,799	185,396
Current year surplus before income tax		287,789	147,902
Income tax expense		-	-
Net current year surplus		287,789	147,902
Other comprehensive income			
Items that will be reclassified subsequently to profit and loss when specific conditions are met			
Increment/(decrement) in value of investments		179,659	(4,182)
Total other comprehensive income/(deficit)		179,659	(4,182)
Total comprehensive income attributable to members of the Foundation		467,448	143,720

Statement of Financial Position
At 30 June 2017

	Note	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	3	1,005,664	930,545
Accounts receivable and other receivables	5	140,910	221,575
Total current assets		1,146,574	1,152,120
Non current assets			
Financial assets	4	4,647,957	4,174,964
Plant and equipment	6	6,500	6,500
Total non current assets		4,654,457	4,181,464
Total assets		5,801,031	5,333,584
Net Assets			
		5,801,031	5,333,584
Equity			
Reserves	7	-	1,388,861
Equity	8	5,801,031	3,944,723
Total equity		5,801,031	5,333,584

The accompanying Notes form part of these financial statements

AOA Research Foundation Limited
ABN 94 082 552 574

Statement of Cash Flows
For the year ended 30 June 2017

	Note	2017 \$	2016 \$
Cash flow from operating activities			
Revenue from operating activities		20,900	23,663
Grants received		200,000	-
Donations received		28,865	76,290
Interest received		460,692	173,479
Payments to suppliers and grant recipients		<u>(162,344)</u>	<u>(229,692)</u>
Net cash provided by operating activities	9(b)	<u>548,113</u>	<u>43,740</u>
Cash flows from investing activities			
Investment in managed funds		<u>(472,994)</u>	<u>(4,174,964)</u>
Net cash used in investing activities		<u>(472,994)</u>	<u>(4,174,964)</u>
Net increase (decrease) in cash held		75,119	(4,131,224)
Cash at the beginning of the financial year		<u>930,545</u>	<u>5,061,769</u>
Cash held at the end of the financial year	9(a)	<u><u>1,005,664</u></u>	<u><u>930,545</u></u>

Statement of Changes in Equity
For the year ended 30 June 2017

	Reserves \$	Retained Surplus \$	Total \$
Balance at 1 July 2015	1,388,861	3,801,003	5,189,864
Surplus attributable to the entity	<u>0</u>	<u>143,720</u>	<u>143,720</u>
Balance at 30 June 2016	1,388,861	3,944,723	5,333,584
Transfer	<u>(1,388,861)</u>	<u>1,388,861</u>	<u>0</u>
Surplus attributable to the entity	<u>0</u>	<u>467,448</u>	<u>467,448</u>
Balance at 30 June 2017	<u><u>0</u></u>	<u><u>5,801,032</u></u>	<u><u>5,801,032</u></u>

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

General information and statement of compliance

The financial statements cover AOA Research Foundation Limited as an entity. AOA Research Foundation Limited is a company limited by guarantee, incorporated and domiciled in Australia. The financial statements were authorised for issue on 9 September 2017 by the directors of the company.

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Basis of Preparation

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Australian Charities and Not-for-profits Commission Act 2012* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

Accounting Policies

a. Revenue

Non-reciprocal grant revenue is recognised in the profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

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

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered 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 income on receipt.

Membership fees and sponsorship revenue is recognised when the right to receive the revenue has been established.

Donations and bequests are recognised as revenue when received.

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

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

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

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

b. Plant and Equipment

Plant and equipment that has been contributed at no cost, or for nominal cost, is recognised at the fair value of the asset at the date it is acquired.

c. 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 company 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.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. 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 the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest 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 amount with a consequential recognition of an income or expense item in profit or loss.

Fair value is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. 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.

(i) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company'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.

(ii) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

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

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire 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 derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

d. Impairment of Assets

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair amount less costs to sell and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon on the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

e. Cash on Hand

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

f. Accounts Receivable and Other Debtors

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

Accounts receivable and other debtors include amounts due from donors and any outstanding grant receipts. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

g. **Goods and Services Tax (GST)**

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

h. **Income Tax**

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

i. **Comparative Figures**

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

Where the company retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements must be presented.

j. **Accounts Payable 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 amount being normally paid thirty days of recognition of the liability.

k. **Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial statements 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 company.

l. **Key estimates**

Impairment

The company assesses impairment at the end of each reporting period by evaluating conditions and events specific to the company that may be indicative of impairment triggers.

m. **Economic Dependence**

The AOA Research Foundation Limited is not dependent on external agencies or government for the majority of its revenue used to operate the business.

AOA Research Foundation Ltd
ABN 94 082 552 574

Notes to the Financial Statements
Year Ended 30 June 2017

	2017	2016
	\$	\$
Note 2 Revenue		
Operating activities -		
Membership subscriptions	20,900	24,200
Grants and funding received	100,000	100,000
Donations received	28,865	51,290
Total income from operating activities	149,765	175,490
Non operating activities -		
Investment income	308,823	157,808
Total revenue	458,588	333,298
Note 3 Cash and cash equivalents		
Business cheque account	279,373	184,915
Business cheque account - donations	119,295	83,034
Managed Investments	303,479	369,169
Term deposits	303,517	293,427
	1,005,664	930,545
Note 4 Financial Assets		
Managed investments	4,647,957	4,174,964
	4,647,957	4,174,964
Note 5 Accounts receivable and other receivables		
Imputation credit receivable	29,437	0
Australian Orthopaedic Association	102,936	212,881
GST Receivable	7,315	5,824
Interest receivable	1,222	2,870
	140,910	221,575
Note 6 Plant and Equipment		
Hand-coloured lithograph of Koala from John Gould's 'Mammals of Australia' donated by member	6,500	6,500
	6,500	6,500
Note 7 Reserves		
General reserves at the beginning of the year	1,388,861	1,388,861
Transfer to Retained surplus	(1,388,861)	0
Balance at the end of the year	0	1,388,861
Note 8 Equity		
Retained profits at the beginning of the year	3,944,723	3,801,003
Transfer from General reserves	1,388,861	0
Net profit attributable to ordinary activities	467,447	143,720
Equity at the end of the year	5,801,031	3,944,723
Note 9 Cash Flow Information		
a) Reconciliation of cash		

AOA Research Foundation Ltd
ABN 94 082 552 574

Notes to the Financial Statements
Year Ended 30 June 2017

	2017	2016
	\$	\$
Cash at bank	398,668	267,949
Term deposits	606,996	662,596
	<u>1,005,664</u>	<u>930,545</u>
b) Reconciliation of Cash Flow from Operations with Profit		
Profit for the year	467,448	143,720
Decrease/(Increase) in receivables	80,665	(69,588)
Increase/(Decrease) in payables	0	(30,392)
Cash flows from operations	<u>548,113</u>	<u>43,740</u>

Note 10 Foundation Details

The principal address of the Foundation is Level 12, 45 Clarence Street, Sydney NSW 2000

Note 11 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$10 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 \$2,090 (2016 \$2,420).