Taxpayers Australia Limited

ABN 96 075 950 284

Financial Report

For the Year Ended 30 June 2018

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

INDEX

		Page(s)
1.	Annual Report of the Board of Directors	1 - 6
2.	Statement of Corporate Governance	7 - 8
3.	Statement of Comprehensive Income	9
4.	Statement of Financial Position	10
5.	Statement of Changes In Equity	11
6.	Statement of Cash Flows	12
7.	Notes to the Financial Statements	13 - 30
8.	Directors' Statement	31
9.	Auditor's Independence Declaration	32
10.	Independent Audit Report to the Members	33 - 34
11.	Income & Expenditure Statement	35 - 36

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Your Board of Directors submits the financial report of Taxpayers Australia Ltd (the "Company") and its controlled entities for the financial year ended 30 June 2018.

The Company was registered on 30 July 2014.

Principal Activities

The principal activities of the Company consist of:

- acting as the independent voice for every Australian taxpayer and striving for a fairer and a more transparent taxation and superannuation system.
- providing information on taxation and Self Managed Superannuation Fund matters by providing publications and services, and educational services to Members and the public.

There has been no significant change to the nature of these activities during the financial year.

Operating Results and Members' Equity

The consolidated profit of the economic entity for the year ended 30 June 2018 exclusive of unrealised gains on financial assets was $731,024 (2017: $419,875).

The movement in Members' Equity for the year ended 30 June 2018 inclusive of unrealised gains on financial assets was $882,276 (2017: $425,333). A summary of the contributions from operating and investment activities is shown below:

	Economic Entity		Parent Entity	
	2018	2017	2018	2017
	$	$	$	$
Operating activities				
Revenue from operating activities and other income	2,348,633	2,562,138	2,290,560	2,523,842
Expenses from ordinary activities	(2,310,676)	(2,429,034)	(2,257,442)	(2,401,929)
Profit (Loss) from operating activities (before income tax)	37,957	133,104	33,118	121,913
Gain (Loss) on disposal of property, plant and equipment	822,416	-	822,416	-
Investment activities				
Investment income	236,990	235,684	224,526	221,204
Expenses from investment activities	(39,800)	(38,908)	(39,800)	(38,908)
Unrealised gains on financial assets	151,252	5,458	137,231	1,188
Net gain/(loss) on realisation of financial assets	85,406	56,617	85,406	56,617
Gain from investment activities	433,848	258,851	407,363	240,101
Income tax (expense) benefit	(411,945)	33,378	(411,945)	33,378
Increase (Decrease) in Members' equity	**882,276**	**425,333**	**850,952**	**395,392**

Review of Operations

Taxpayers Australia Ltd is a not-for-profit membership based organisation that educates, informs and represents its Members at various Government and ATO forums. It produces publications for taxpayers, accountants, tax practitioners, SMSF advisers, and persons managing their own self managed superannuation fund. These publications include the 'Tax Summary', the 'SMSF Manual', 'The Taxpayer' journal, 'The Contributor' journal and 'Ultimate Trustee's Guide to SMSF' and other Products. The organisation also maintains a helpline to assist Members with taxation and superannuation matters and conducts seminars, webinars, and tax discussion and superannuation discussion groups.

The Company is a registered Tax Agent under the Tax Agents Services Regime.

ANNUAL REPORT OF THE BOARD OF DIRECTORS (continued)

Recent Developments

The Company strives to expand its operations by developing further products and services that benefit taxpayers generally. It also focuses its attention and advocacy for a fairer, simpler and more efficient tax system and for the reduction of the tax and compliance burden on business and personal taxpayers.

Sale of Land & Building, 1405 Burke Road, Kew East, Victoria

Following the rebranding of the organisation in July 2016, the Board of Directors resolved to relocate the organisation to Melbourne CBD. The decision to relocate was based on various factors impacting our new brand including organisational repositioning, our brand promise, changing markets, competitors and the opportunity to enhance our image.

1405 Burke Road, Kew East was sold on 4 December 2017 and the settlement took place on 1 June 2018.

The proceeds from the sale have been invested in accordance with the organisation's Risk Profile. The investments are being managed by our Investment Managers & Advisers, Pitcher Partners Investment Services.

Relocation of TSA office to the CBD

Following the sale of 1405, Burke Road, Kew East, TSA relocated its office to Level 13, 303 Collins Street, Melbourne, Victoria 3000 effective 30 April 2018.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters Subsequent to Balance Date

There have been no significant events subsequent to balance date.

Directors of the Board of Management

The names of Directors of the Board of Directors who held office during or since the end of the year:

Qualifications, experience and special responsibilities of each Director:

Name	Position	Committees	State	Qualifications / Experience
Terry Blenkinsop[1]	Treasurer	ARMC	WA	B.Bus, FCA, CTA, F Fin, CPA, AIMM, FTPA (TAX), Chairman HLB International – Asia Pacific Region.
Mark Dodds[2]	President	ARMC	QLD	B.Bus (Acct), CPA, CTA, FTPA (TAX), Registered Tax Agent, Financial Planner & Authorised Representative of Count Financial Limited, Director - TAI Practitioners & Advisers Ltd., Director - World Taxpayers Associations, Director - Asia Pacific Taxpayers Union.
Robert Krigsman[3]		ARMC	VIC	FCA, CTA, Grad Dip (ICAA), Registered Tax Agent, Principal Krigsman Partners
John Trini[4]		ARMC Chair		B.Bus, M.Tax Law, CPA, CTA, GAICD
Stephen Ware	Vice President		NSW	B Fin Admin, ICSA Diploma Corporate Management, TRF Director, Secretary and Member Research Committee, Executive Director of the Australian Environmental Pest Management Association.

Note

1 *Terry Blenkinsop - Treasurer from 31 Oct 2016*
2 *Mark Dodds - Ex Officio Member of Audit and Risk Management Committee ("ARMC")*
3 *Robert Krigsman - Director from 31 Oct 2016, member of ARMC from 31 October 2016*
4 *John Trini - Chair of ARMC*

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

ANNUAL REPORT OF THE BOARD OF DIRECTORS (continued)

Meetings of Directors

During the financial year meetings of Directors (including Committees) were held. Attendances were:

Board Member	Board Meetings		Committee Meetings			
	Number eligible to attend	Number attended	Number eligible to attend		Number attended	
Terry Blenkinsop[1]	11	10	ARMC	3	ARMC	3
Mark Dodds[2]	11	10	ARMC	3	ARMC	1
Robert Krigsman[3]	11	5	ARMC	3	ARMC	3
John Trini[4]	11	9	ARMC	3	ARMC	3
Stephen Ware	11	11	-		-	

Note

1 *Terry Blenkinsop - Treasurer from 31 Oct 2016*

2 *Mark Dodds - Ex Officio Member of Audit and Risk Management Committee ("ARMC")*

3 *Robert Krigsman - Director from 31 Oct 2016, member of ARMC from 31 October 2016*

4 *John Trini - Chair of ARMC*

Committees

Audit & Risk Management Committee (ARMC)

Contracts with Directors

No Director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the entity, with a Director, a firm of which a Director is a member or an entity in which a director has a substantial financial interest.

ANNUAL REPORT OF THE BOARD OF DIRECTORS (continued)

The Taxpayers Research Foundation Limited

The Taxpayers Research Foundation Limited ("Foundation"), a controlled entity of Taxpayers Australia Ltd continues to advocate the need to broaden participation in the taxation policy debate. The Tax Policy Journal is an initiative of the Foundation to ensure that the effects of the burden of tax on Australian taxpayers are fully considered.

A summary of the Foundation's financial results and position, extracted from its financial statements, is shown below:

	2018 $	2017 $
Operating activities		
Expenses from ordinary activities	(31,473)	(4,924)
Loss from operating activities	(31,473)	(4,924)
Investment activities		
Investment income	16,463	18,163
Net gain (loss) on revaluation of investments	14,021	4,270
Gain from investment activities	30,485	22,433
Increase (Decrease) in Members' equity	(988)	17,509
Summary of financial position		
Member's equity	200,763	201,751
Represented by:		
Assets		
Cash and cash equivalents	4,778	23,879
Receivables	12,656	8,649
Available-for-sale investments	185,444	171,422
	202,878	203,951
Less: Liabilities		
Payables	2,115	2,200
Net assets	200,763	201,751

ANNUAL REPORT OF THE BOARD OF DIRECTORS (continued)

TAI Practitioners & Advisers Ltd.

TAI Practitioners & Advisers Ltd. (TAI PAL) is a controlled entity of Taxpayers Australia Limited. It was established in 2012 and became a Recognised Tax Agent Association under the Tax Agent Services Act 2009 ("TASA") in 2013. TAI PAL's main aims include providing education services and promoting and arranging conferences, seminars, webinars, podcasts, workshops and lectures in relation to Taxation Law, TASA and Superannuation Industry (Supervision) Act 1993 ("SIS") for Members or the general public and ensuring Members undertake an appropriate number of CPE hours. The objectives also include providing a system for the fair and equitable handling of complaints and ensuring Members comply with Tax Agent registration requirements, such as adhering to the code of professional conduct.
Taxpayers Australia Ltd and TAI PAL have entered into a Management Agreement to provide financial support to TAI PAL in relation to expenditure and obligations to be incurred by TAI PAL.

A summary of the TAIPAL's financial results and position, extracted from its financial statements, is shown below:

	2018 $	2017 $
Operating activities		
Income from ordinary activities	180,243	115,377
Expenses from ordinary activities	(147,931)	(102,935)
Profit / (Loss) from operating activities	32,312	12,442
Increase (Decrease) in Members' equity	32,312	12,442
Summary of financial position		
Member's equity	(38,870)	(71,182)
Represented by:		
Assets		
Cash and cash equivalents	1,143	1,404
Trade and other receivables	109,917	58,559
Property, plant and equipment	-	180
Intangible assets	8,977	9,716
	120,037	69,859
Less: Liabilities		
Other liabilities	(158,907)	(141,041)
Net assets	(38,870)	(71,182)

Environmental Issues

There are no specific environmental regulations or issues under the law of the Commonwealth or States that affect the Company or its activities.

Indemnification of Officer or Auditor

The Constitution of the Company provides that every Director and Officer of the Company must be indemnified out of the assets of the Company against all liabilities, losses, damages, costs, charges and expenses incurred by them in acting as aforesaid or by reason or on account of any contract or deed entered into or executed or any act or thing done or permitted by them on behalf of or bona fide in the interests of or with the view of benefiting the Company unless the liabilities arise out of conduct involving a lack of good faith.

During or since the end of the financial year the Company has not given an indemnity or entered into an agreement to indemnify against any liability arising from a claim brought by a third party against any Director, Officer or Auditor of the Company.

The Company's current policy provides composite liability insurance cover applicable to a Company Limited by Guarantee. This policy covers the Company and all its controlled entities.

ANNUAL REPORT OF THE BOARD OF DIRECTORS (continued)

Auditor's Independence Declaration

A Copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 32.

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

.....

Mark Dodds
President

.....

Terry Blenkinsop
Treasurer

Dated this 20TH day of SEPTEMBER 2018

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

STATEMENT OF CORPORATE GOVERNANCE

Board of Directors and its Committees for the year ending 30 June 2018

Board
Currently there are five elected non-executive Directors. Three of the Directors retire each biennial date following their appointment, and are eligible for re-appointment.

Members of the Board appoint from within the elected Board of Directors the following office bearers:

- President
- Vice President
- Treasurer

Board Committees
The Board has the overall responsibility for corporate governance of the Company. The Board has presently established the following Committees to assist in the execution of its responsibilities.

- Audit and Risk Management Committee

The Board has also designated specific directors to overview a number of business sectors, e.g. advocacy, superannuation products and services, taxation products and services, the constitution and By-laws.

The Committee has a mandate and, together with those specific directors overseeing the company's business sectors, operate in a review or advisory capacity to the Board. The Board receives regular reports and recommendations, as appropriate, from the Committee and those specific directors.

Audit and Risk Management Committee
This Committee has been established with responsibility to the Board for the Company's audit matters. It is comprised solely of Non-Executive Directors.

The key responsibilities delegated to the Committee are to:

- Provide an independent and objective review. The Committee's objectives include assessment of:
  • integrity of financial reports;
  • assurances on the effectiveness of internal control and compliance systems including monitoring any control and policy breaches and rectification thereof;
  • significant financial and accounting issues and accounting policies;
  • regulatory requirements and compliance;
  • audit effectiveness, independence, scope and planning;
  • oversight of the company's insurance arrangements;
  • work with management to develop the company's risk appetite for approval by the Board;
  • promote an awareness of a risk based culture at Board and Executive levels within the company.
- Assist the Board in discharging its responsibilities relating to the integrity of the financial reporting, the effectiveness and independence of audit, and evaluation of the management processes relating to compliance, internal control systems and the risk management framework.
- Provide a forum for communication between the Board, senior management and the external auditor.
- Assess the effectiveness of the systems, processes and controls that are in place to maintain the integrity of the financial records and reporting.
- Oversee business initiatives and assess the impact on the internal control environment, strategic risk assessment, including determining (basis on recommendations from management) appropriate mitigants where warranted.

Ethical Standards
The Company has a policy of corporate ethics that requires the continued maintenance of the highest standards of ethical conduct and behaviour of Directors, office bearers, management and staff.

Communication to Members
The Company communicates with Members through the annual 'Tax Summary' and the 'SMSF Manual', monthly 'Taxpayer', the bi-monthly 'Contributor', Tax and Superannuation electronic newsletters, the telephone Helpline service, Websites, Podcasts, e-Newsletter, educational seminars and other publications.

Summation
The Board believes that its corporate governance practices conform to 'fit for purpose' practices for an organisation of its type and as far as possible for corporations generally. It therefore keeps all areas of the Company's governance under on-going review.

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$
Revenue	2	2,671,029	2,854,439	2,600,492	2,801,663
Gain on disposal of property, plant & equipment		822,416	-	822,416	-
Employee benefits expense		(1,353,079)	(1,473,451)	(1,353,079)	(1,473,451)
Depreciation and amortisation expenses		(61,423)	(65,521)	(60,442)	(64,401)
Publication costs		(352,639)	(308,894)	(330,856)	(308,894)
Other expenses	3	(583,335)	(620,076)	(552,865)	(594,091)
Profit / (Loss) before income tax		**1,142,969**	**386,497**	**1,125,666**	**360,826**
Income tax (expense) / benefit	4	(411,945)	33,378	(411,945)	33,378
Profit / (Loss) for the year		**731,024**	**419,875**	**713,721**	**394,204**
Other comprehensive income after income tax:					
Net unrealised gain / (loss) on investments		151,252	5,458	137,231	1,188
Other comprehensive income / (loss) for the year, net of tax		151,252	5,458	137,231	1,188
Total comprehensive income / (loss) for the year		**882,276**	**425,333**	**850,952**	**395,392**
Total comprehensive income / (loss) attributable to members of the entity		**882,276**	**425,333**	**850,952**	**395,392**

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	7	5,126,256	1,696,731	5,120,333	1,671,445
Trade and other receivables	8	141,416	114,740	128,764	106,044
Inventories	9	3,820	1,034	3,820	1,034
Financial assets	11	1,703,969	1,605,926	1,703,969	1,605,926
Current tax assets	4	-	5,286	-	5,286
Other current assets	10	48,399	52,705	48,165	52,705
TOTAL CURRENT ASSETS		**7,023,860**	**3,476,422**	**7,005,051**	**3,442,440**
NON-CURRENT ASSETS					
Financial assets	11	3,308,012	3,130,296	3,122,567	2,958,873
Deferred tax assets	4	2,312	84,775	2,312	84,775
Property, plant and equipment	12	28,607	2,085,404	28,607	2,085,225
Intangible assets	13	226,527	242,903	217,550	233,187
TOTAL NON-CURRENT ASSETS		**3,565,458**	**5,543,378**	**3,371,036**	**5,362,060**
TOTAL ASSETS		**10,589,318**	**9,019,800**	**10,376,087**	**8,804,500**
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	14	550,081	218,515	643,174	266,224
Other liabilities	15	1,633,946	1,613,902	1,489,513	1,481,460
Current tax liabilities	4	246,682	-	246,682	-
Short-term provisions	17	88,843	87,207	88,843	87,207
TOTAL CURRENT LIABILITIES		**2,519,552**	**1,919,624**	**2,468,212**	**1,834,891**
NON-CURRENT LIABILITIES					
Deferred tax liabilities	4	160,773	77,973	160,773	77,973
Long-term provisions	17	32,210	27,696	32,210	27,696
TOTAL NON-CURRENT LIABILITIES		**192,983**	**105,669**	**192,983**	**105,669**
TOTAL LIABILITIES		**2,712,535**	**2,025,293**	**2,661,195**	**1,940,560**
NET ASSETS		**7,876,783**	**6,994,507**	**7,714,892**	**6,863,940**
EQUITY					
Reserves	18	887,197	2,058,001	863,141	2,047,966
Retained earnings		6,989,586	4,936,506	6,851,751	4,815,974
TOTAL EQUITY		**7,876,783**	**6,994,507**	**7,714,892**	**6,863,940**

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

CONSOLIDATED ENTITY

	Retained Earnings	Financial Asset Revaluation Reserve	Asset Revaluation Reserve	Total
	$	$	$	$
Balance at 1 July 2016	4,516,631	730,487	1,322,056	**6,569,174**
Profit attributable to members	419,875	-	-	**419,875**
Total other comprehensive income for the year	-	5,458	-	**5,458**
Balance at 30 June 2017	4,936,506	735,945	1,322,056	**6,994,507**
Balance at 1 July 2017	4,936,506	735,945	1,322,056	**6,994,507**
Profit attributable to members	731,024	-	-	**731,024**
Total other comprehensive income for the year	-	151,252	-	**151,252**
Transfer reserve to retained earnings	1,322,056	-	(1,322,056)	**-**
Balance at 30 June 2018	6,989,586	887,197	-	**7,876,783**

PARENT ENTITY

	Retained Earnings	Financial Asset Revaluation Reserve	Asset Revaluation Reserve	Total
	$	$	$	$
Balance at 1 July 2016	4,421,770	724,722	1,322,056	**6,468,548**
Profit attributable to members	394,204	-	-	**394,204**
Total other comprehensive income for the year	-	1,188	-	**1,188**
Balance at 30 June 2017	4,815,974	725,910	1,322,056	**6,863,940**
Balance at 1 July 2017	4,815,974	725,910	1,322,056	**6,863,940**
Profit attributable to members	713,721	-	-	**713,721**
Total other comprehensive income for the year	-	137,231	-	**137,231**
Transfer reserve to retained earnings	1,322,056	-	(1,322,056)	**-**
Balance at 30 June 2018	6,851,751	863,141	-	**7,714,892**

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from members and customers		2,763,973	2,666,550	2,681,108	2,574,011
Payments to suppliers and employees		(2,134,797)	(2,689,276)	(2,032,633)	(2,600,667)
Tax refund		5,286	0	5,286	0
Net cash provided by operating activities	22	**634,462**	**(22,726)**	**653,761**	**(26,656)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income received		196,173	189,278	185,310	176,508
Interest received		40,767	46,391	39,216	44,696
Proceeds from sale of property, plant and equipment		2,849,057	300	2,849,057	300
Purchase of property, plant and equipment		(14,891)	(18,511)	(14,828)	(7,995)
Proceeds from sale of investments		-	-	-	-
Payment for investments		(276,042)	(497,361)	(263,627)	(482,896)
Net cash used in investing activities		**2,795,064**	**(279,903)**	**2,795,128**	**(269,387)**
Net increase / (decrease) in cash held		3,429,525	(302,629)	3,448,888	(296,043)
Cash and cash equivalents at beginning of financial year		1,696,731	1,999,359	1,671,445	1,967,487
Cash and cash equivalents at end of financial year	7	**5,126,256**	**1,696,731**	**5,120,333**	**1,671,445**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Taxpayers Australia Limited as an individual entity and Taxpayers Australia Limited and the controlled entities as a consolidated entity. Taxpayers Australia Limited is a Company Limited by Guarantee and is incorporated in Victoria under the Corporation Act 2001.

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1(r).

a. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of Taxpayers Australia Limited ('company') as at 30 June 2018 and the results of all controlled entities for the year then ended. Taxpayers Australia Limited and its controlled entities together are referred to in these financial statements as the 'consolidated entity'.

The controlled entities are:

- The Taxpayers Research Foundation Limited
- Superannuation Australia Pty Ltd
- Tax Australia Pty Ltd
- TAI Practitioners & Advisers Ltd
- Australian Taxpayers Association Pty Ltd

The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Controlled entities are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of controlled entities have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Where the consolidated entity loses control over a controlled entity, it derecognises the assets including goodwill, liabilities and non-controlling interest in the controlled entity together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

b. Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods revenue is recognised at the point of sale, which is where the customer has taken delivery of the goods, the risks and rewards are transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

Membership fees received in advance is deferred to the period to which it relates and included as subscriptions in advance on the balance sheet.

Rendering of a service is recognised upon the delivery of the service to the customers.

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividend and distribution revenue is recognised when the right to receive the dividend or distribution has been established.

Other revenue is recognised when it is received or when the right to receive payment is established.

c. Income tax

Only Non-Member income of the Company is assessable for tax, as Member income is excluded under the principle of mutuality.

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in controlled entities, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

d. Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

f. Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

g. Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

h. Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Impairment of financial assets at fair value brought to account through profit or loss are either: i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit; or ii) designated as such upon initial recognition, where they are managed on a fair value basis or to eliminate or significantly reduce an accounting mismatch. Except for effective hedging instruments, derivatives are also recognised at fair value through profit or loss. Fair value movements are recognised in profit or loss.

Available-for-sale financial assets are non-derivative financial assets, principally equity securities, that are either designated as available-for-sale or not classified as any other category. After initial recognition, fair value movements are recognised in other comprehensive income through the available-for-sale reserve in equity. Cumulative gain or loss previously reported in the available-for-sale reserve is recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Available-for-sale financial assets are considered impaired when there has been a significant or prolonged decline in value below initial cost. Subsequent increments in value are recognised in other comprehensive income through the available-for-sale reserve.

i. Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, every 3 - 5 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	40 years
Furniture & Equipment	3-20 years
Computers & Software	2.5-6 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

j. Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 6 years.

k. Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

l. Trade and other payables

Trade and other payables are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

m. Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

n. Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

o. Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

p. Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

q. Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax

r. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Fair value measurement hierarchy
The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets
The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.
Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision
As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$
NOTE 2: REVENUE AND OTHER INCOME					
Revenue					
- Member subscriptions		1,760,598	1,991,914	1,675,724	1,889,391
- Product sales and subscriptions		290,634	329,894	416,804	410,658
- CPD^{pro}		95,369	12,854	-	-
- Commission income		30,568	13,851	30,568	13,851
- SMSF product sales and subscriptions		7,129	13,561	7,129	13,561
- Seminar income		122,790	142,378	122,790	142,378
- Webinar income		37,235	52,995	37,235	52,995
- Gain / (Loss) on sale of investments		85,406	56,617	85,406	56,617
- Interest and investment income received		236,990	235,684	224,526	221,204
- Other income		4,310	4,691	310	1,008
Total revenue		**2,671,029**	**2,854,439**	**2,600,492**	**2,801,663**
NOTE 3: OTHER EXPENSES					
Other expenses include the following significant expenses. Profit from ordinary activities before income tax expense has been determined after allowing for these expenses:					
Expenses					
Membership Services, Seminars and Representation Costs		196,273	285,367	191,120	278,431
Occupancy Expenses		68,764	32,580	68,764	32,580
Office Expenses and Administration Expenses		158,156	129,005	150,572	119,243
Corporate Expenses		81,751	88,620	79,484	85,867
Legal fees		7,812	15,527	7,812	13,573
Other Expenses		70,579	68,977	55,113	64,397
		583,335	**620,076**	**552,865**	**594,091**

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$
NOTE 4: INCOME TAX EXPENSE					
a. The components of tax expense / (benefit) comprise:					
Current tax		414,036	(33,378)	414,036	(33,378)
b. The prima facie tax on profit before income tax is reconciled to the income tax as follows:					
Prima facie tax payable on profit(loss) before income tax at 27.5% (2017: 27.5%)		355,911	107,788	347,297	99,554
Less:					
Tax effect of:					
- exempt (income)/deductions		-	-	-	-
- non-assessable items		(882)	(21,053)	(882)	(21,053)
- deferred tax assets not recorded on losses		(34,910)	(37,571)	(38,606)	(33,415)
- unrealised (gain)/ loss on revaluation of investments		(3,856)	(1,174)	-	-
- net capital gain		177,408	-	177,408	-
- non-taxable net Member (income)/deductions arising from principle of mutuality		(71,067)	(72,761)	(62,182)	(69,340)
Imputation Credits		(8,568)	(8,606)	(8,999)	(9,124)
Foreign Tax Credits		-	-	-	-
Other Non-Assessable Income		-	-	-	-
Income tax attributable to Company		**414,036**	**(33,378)**	**414,036**	**(33,378)**
Income tax over/ (under) provision		(2,091)	-	(2,091)	-
Income tax attributable to Company		**411,945**	**(33,378)**	**411,945**	**(33,378)**
CURRENT					
Current tax assets comprise:					
- Income tax refundable		-	5,286	-	5,286
Current tax liabilities comprise:					
- Income tax payable		246,682	-	246,682	-
NON-CURRENT					
Deferred tax liabilities comprise:					
- Timing differences		160,773	77,973	160,773	77,973
Deferred tax assets comprise:					
- Timing differences		2,312	84,775	2,312	84,775

The property at 1405 Burke Road, Kew East was sold on 4 December 2017. The company made a capital gain of $1,467,535. This gain was reduced by applying carry forward capital losses and was further reduced by applying available carry forward tax losses resulting in net tax payable of $246,682.

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$

NOTE 5: KEY MANAGEMENT PERSONNEL DISCLOSURES

a. Board of Directors Remuneration

Income paid or payable to Directors by the Company:	70,000	70,000		
Key management personnel remuneration	365,144	471,774		

Number of Directors whose income from the Company was within the following bands:

$1 - $9,999	-	2
$10,000 - $19,999	5	4

The names of Directors who held office during the financial year were:
- John Trini
- Mark Dodds
- Robert Krigsman
- Stephen Ware
- Terry Blenkinsop

b. Superannuation benefits

Amounts of a prescribed benefit given during the year by the Company to a Director or prescribed superannuation fund:	6,650	6,650		

NOTE 6: AUDITORS' REMUNERATION

Remuneration of the auditors:				
- auditing or reviewing the financial report	26,433	28,063	20,500	19,280
- Other services	9,089	17,445	3,989	12,865
	35,522	**45,508**	**24,489**	**32,145**

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$
NOTE 7: CASH AND CASH EQUIVALENTS					
Cash at bank and in hand					
Cash on hand		502	502	500	500
Cash at bank		5,125,754	1,696,229	5,119,833	1,670,945
		5,126,256	**1,696,731**	**5,120,333**	**1,671,445**
Reconciliation of cash					
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:					
Cash and cash equivalents		5,126,256	1,696,731	5,120,333	1,671,445
		5,126,256	1,696,731	5,120,333	1,671,445
NOTE 8: TRADE AND OTHER RECEIVABLES					
Trade Debtors		9,512	2,759	5,116	2,712
Sundry Debtors		8,256	8,649	-	-
Interest receivable		1,464	42	1,464	42
Income receivable		122,184	103,290	122,184	103,290
		141,416	**114,740**	**128,764**	**106,044**
NOTE 9: INVENTORIES					
At cost					
- stock of publications		623	-	623	-
- stock of raw materials for publications		3,197	1,034	3,197	1,034
		3,820	**1,034**	**3,820**	**1,034**
NOTE 10: OTHER ASSETS					
Prepayments		48,399	52,705	48,165	52,705
		48,399	**52,705**	**48,165**	**52,705**

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$
NOTE 11: FINANCIAL ASSETS					
CURRENT					
Managed At Call Deposits		123,113	278,126	123,113	278,126
Managed Term Deposits		1,580,856	1,327,800	1,580,856	1,327,800
		1,703,969	**1,605,926**	**1,703,969**	**1,605,926**
The effective interest rate on Term bank deposits was 2.51% (2017: 2.56%); these deposits have a maturity of 12 months or less.					
NON CURRENT					
Available-for-sale financial assets	11a	3,308,012	3,130,296	3,122,567	2,958,873
		3,308,012	**3,130,296**	**3,122,567**	**2,958,873**
a. Available-for-sale financial assets comprise:					
Listed investments, at fair value					
- Securities in listed corporations at market value		945,611	845,447	945,611	845,447
- Listed Property Funds		183,365	254,710	183,365	254,710
- Australian Income Securities		49,494	96,073	49,494	96,073
- Listed Fixed Interest Hybrids		203,035	246,662	203,035	246,662
Unlisted investments, at fair value					
- Unlisted Property Funds		153,796	99,510	153,796	99,510
- Unlisted Fixed Income Funds		196,644	144,883	196,644	144,883
Managed Funds		1,576,066	1,443,012	1,390,617	1,271,585
Shares in wholly owned subsidiaries					
- Australian Taxpayers Association Pty Ltd		-	-	2	2
- Superannuation Australia Pty Ltd		-	-	1	1
- Tax Australia Pty Ltd		-	-	1	1
Total available-for-sale financial assets		**3,308,012**	**3,130,296**	**3,122,567**	**2,958,873**
NOTE 12: PROPERTY, PLANT AND EQUIPMENT					
Land & Buildings					
Freehold Land and Buildings at Cost		-	1,310,469	-	1,310,469
Less Accumulated Depreciation		-	(607,367)	-	(607,367)
		-	703,102	-	703,102
Revaluation increment from sworn independent valuation		-	1,322,056	-	1,322,056
Total Land & Buildings		-	2,025,158	-	2,025,158

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$
Fixtures & Fittings					
At cost		2,745	235,467	2,745	235,467
Accumulated depreciation		(92)	(215,752)	(92)	(215,752)
		2,653	19,715	2,653	19,715
Furniture & Office Equipment					
At cost		78,234	170,610	78,234	170,610
Accumulated depreciation		(62,481)	(148,130)	(62,481)	(148,130)
		15,753	22,480	15,753	22,480
Computer Equipment & Software					
At cost		109,356	172,111	108,396	171,151
Accumulated depreciation		(99,155)	(154,060)	(98,195)	(153,279)
		10,201	18,051	10,201	17,872
Total Property, Plant and Equipment		**28,607**	**2,085,404**	**28,607**	**2,085,225**

Property Valuation
The revaluation of Land & Building was carried out in 2013.

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

	Land & Buildings	Fixtures & Fittings	Furniture & Office Equipment	Computer Equipment & Software	Total
	$	$	$	$	$
Balance at 1 July 2016	2,050,011	19,997	26,057	31,983	2,128,048
Additions	-	2,881	-	-	2,881
Disposals	-	-	-	(300)	(300)
Depreciation & amortisation expense	(24,853)	(3,163)	(3,577)	(13,632)	(45,225)
Balance at 30 June 2017	2,025,158	19,715	22,480	18,051	2,085,404
Additions	-	2,745	4,014	4,291	11,050
Disposals	(2,002,347)	(16,871)	(6,705)	(718)	(2,026,641)
Depreciation & amortisation expense	(22,811)	(2,936)	(4,036)	(11,423)	(41,206)
Balance at 30 June 2018	-	2,653	15,753	10,201	28,607

The Company made a capital gain on disposal of its building during the year of $1,467,535 after associated professional and legal costs of $50,858.

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$
NOTE 13: INTANGIBLE ASSETS					
a. **Branding cost**					
At cost		145,903	143,803	140,151	138,051
Impairment		-	-	-	-
Total		145,903	143,803	140,151	138,051
a. **Software**					
At cost		120,656	119,096	115,830	114,332
Accumulated amortisation		(40,032)	(19,996)	(38,431)	(19,196)
Total		80,624	99,100	77,399	95,136
Total Intangible Assets		**226,527**	**242,903**	**217,550**	**233,187**

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Branding cost	Software	Total
Balance at 1 July 2017	143,803	99,100	242,903
Additions	2,100	1,560	3,660
Transfer	-	-	-
Amortisation expense	-	(20,036)	(20,036)
Balance at 30 June 2018	145,903	80,624	226,527

NOTE 14: TRADE AND OTHER PAYABLES				
Trade payables	104,479	98,000	102,279	94,205
GST Payable	429,145	89,295	414,755	82,290
Loan - TAIPAL	-	-	109,683	58,509
PAYG Withholding - Other	16,457	31,220	16,457	31,220
	550,081	**218,515**	**643,174**	**266,224**
NOTE 15: OTHER LIABILITIES				
Seminar Receipts in Advance	58,697	60,441	58,697	60,396
Journals and Updates Subscriptions in Advance	102,310	92,139	102,310	92,139
Membership Subscriptions in Advance	1,472,939	1,461,322	1,328,506	1,328,925
	1,633,946	**1,613,902**	**1,489,513**	**1,481,460**

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$

NOTE 16: CAPITAL & LEASING COMMITMENTS

Operating Lease

Non-cancellable operating leases contracted for but not capitalised in the financial statements				
- not later than one year	96,752	5,016	96,752	5,016
- between one year and five years	516,881	7,942	516,881	7,942
	613,633	**12,958**	**613,633**	**12,958**

The Company has entered into a property lease commencing from 6 March 2018. The property lease at Lvl 13, 303 Collins Street is non-cancellable lease with rent payable monthly in advance. Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by 3.75% per annum. The lease has an initial term of 5 years, and an option exists to renew at the end of the initial term for an additional term of 5 years.

NOTE 17: PROVISIONS

	Annual Leave	Long Service Leave	Total
	$	$	$
Opening balance at 1 July 2017	63,922	50,981	114,903
Movement in provision during the year	10,486	(4,336)	6,150
Balance at 30 June 2018	**74,408**	**46,645**	**121,053**

Analysis of Total Provisions	Consolidated Entity		Parent Entity	
	2018	2017	2018	2017
	$	$	$	$
Current	88,843	87,207	88,843	87,207
Non-current	32,210	27,696	32,210	27,696
	121,053	**114,903**	**121,053**	**114,903**

Provision for Long-term Employee Benefits

A provision has been recognised for non-current employee benefits relating to long service leave for employees.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits has been included in Note 1.

NOTE 18: RESERVES

Asset Revaluation Reserve

The asset revaluation reserve records revaluation of property, plant and equipment.

Financial Asset Revaluation Reserve

The financial assets revaluation reserve represents the cumulative amount of fair value gains / losses recognised in other comprehensive income in remeasuring the investments in listed shares available for sale.

NOTE 19: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Bank Guarantees		
Bank guarantee as security for premises lease	83,815	-

	Note	Consolidated Entity		Parent Entity	
		2018	2017	2018	2017
		$	$	$	$

NOTE 20: RELATED PARTY TRANSACTIONS

The company has recharged a portion of its staff and overhead expenses to TAIPAL for services rendered.

Recharges to related parties:	**2018**	**2017**
- Management recharge	126,170	80,764
Loan to / from related parties		
- (Payable)/ receivable from TAIPAL	(109,683)	(58,509)

NOTE 21: EVENTS AFTER THE BALANCE SHEET DATE

No matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

NOTE 22: CASH FLOW INFORMATION

Reconciliation of Cash Flow from Operations with Profit/ (Loss) from Ordinary Activities after Income Tax

Profit/ (Loss) after income tax	**731,024**	**419,875**	**713,721**	**394,204**
Cash flows excluded from profit/ (loss) attributable to operating				
Non-cash flows in profit				
- Depreciation	61,423	65,521	60,442	64,401
- Net (gain)/ loss on disposal plant and equipment	(822,416)	-	(822,416)	-
- Net (gain) / loss on disposal of investments	(85,406)	(56,617)	(85,406)	(56,617)
Changes in assets and liabilities, net of the effects of purchase				
- (Increase)/decrease in trade and term debtors	(26,673)	(22,661)	(22,718)	(7,713)
- (Increase)/decrease in prepayments	4,306	(14,637)	4,540	(14,637)
- (Increase)/decrease in inventories	(2,786)	3,956	(2,786)	3,956
- (Increase)/decrease deferred tax assets	82,463	(43,631)	82,463	(43,631)
- Increase/(decrease) deferred tax liabilities	82,800	10,254	82,800	10,254
- (Increase)/decrease current tax	251,968	-	251,968	-
- Increase/(decrease) in trade and other payables	331,565	(91,668)	376,950	(32,468)
- Increase/(decrease) in other liabilities	20,044	(204,206)	8,053	(255,493)
- Increase/(decrease) in employee benefits	6,150	(88,912)	6,150	(88,912)
Cash flows attributable to operating activities	**634,462**	**(22,726)**	**653,761**	**(26,656)**

NOTE 23: COMPANY DETAILS

The registered office and principal place of business of the Company is:

Taxpayers Australia Limited
Trading as Tax and Super Australia
Level 13, 303 Collins Street
MELBOURNE VIC 3000

NOTE 24: FINANCIAL INSTRUMENTS

a. Financial Risk Management

The Company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable.

The Company does not have any derivative instruments at 30 June 2018.

i. Treasury Risk Management

The Board meets on a regular basis with its investment advisers, to analyse 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

Interest rate risk is managed with a mixture of fixed and floating rates.

Liquidity risk

The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash is maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The Company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Company.

Price risk

The Company is not exposed to any material commodity price risk.

b. 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 the effective weighted average interest rates on those financial assets, is as follows:

ECONOMIC ENTITY	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing						Non-interest Bearing	
					Within 1 Year		1 to 5 Years		Over 5 Years			
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	%	%	$	$	$	$	$	$	$	$	$	$
Financial Assets:												
Cash and cash equivalents	0.48%	0.60%	5,126,256	1,696,731								
Term deposits	2.51%	2.56%			1,703,969	1,605,926						
Income Securities & Bonds	2.52%	3.13%					49,494	96,073				
Fixed Income Funds	3.36%	3.75%					399,679	391,545				
Managed Funds											1,576,066	1,443,012
Other Financial Assets											1,282,773	1,199,666
Total Financial Assets			**5,126,256**	**1,696,731**	**1,703,969**	**1,605,926**	**449,173**	**487,617**			**2,858,840**	**2,642,678**

NOTE 24: FINANCIAL INSTRUMENTS (Continued)

c. Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values, have been adjusted to reflect the net fair value.
The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

DIRECTORS' STATEMENT

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2018 and of its performance for the financial year ended on that date;
- At the date of this statement, there are reasonable grounds to believe that the Company and the controlled entities will be able to pay their debts as and when they fall due.
- at the date of this declaration, there are reasonable grounds to believe that the members of the Consolidated Group will be able to meet any obligations or liabilities.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

President .....
Mark Dodds

Treasurer .....
Terry Blenkinsop

Dated this 20TH day of SEPTEMBER 2018

KIDMANS PARTNERS

Accountants and Advisors

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

AUDITORS' INDEPENDENCE DECLARATION
TO THE DIRECTORS OF TAXPAYERS AUSTRALIA LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

1. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

2. no contraventions of any applicable code of professional conduct in relation to the audit.

KIDMANS PARTNERS AUDIT PTY LTD



Heinz Mai
Director

Dated this 20 day of September 2018
Melbourne

Kidmans Partners Audit Pty Ltd

Suite 4, 255 Whitehorse Road, Balwyn,
Victoria, Australia 3103

Postal Address: P.O. Box 718, Balwyn,
Victoria, Australia 3103

T (613) 9836 2900 F (613) 9836 5233 ABN 46 143 986 841 www.kidmanspartners.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

INDEPENDENT AUDIT REPORT

TO THE MEMBERS OF TAXPAYERS AUSTRALIA LIMITED AND CONTROLLED ENTITIES

Opinion

We have audited the accompanying financial report of Taxpayers Australia Limited and Controlled Entities, which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the company and the entities it controlled at the year's end or from time to time during the financial year.

In our opinion, the accompanying financial report present fairly, in all material respects, the financial position of Taxpayers Australia Limited and Controlled Entities as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards (AASB's) and the Corporations Act 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 Company in accordance with the independence requirements of the Corporations Act 2001. We have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and' in doing so' consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial report that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDIT REPORT (Continued)

Auditor's Responsibility 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud and 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 these financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a 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.

b 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.

c Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d Conclude on the appropriateness of management'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 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.

e Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent 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 those charged with governance 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.

KIDMANS PARTNERS AUDIT PTY LTD

Heinz Mai
Director
Melbourne

Date 20 / 9 / 2018

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Economic Entity		Parent Entity	
	2018	2017	2018	2017
	$	$	$	$
REVENUE				
Operating activities				
Binder sales	247	233	247	233
CPD Pro	95,369	12,854	-	-
Commission income	30,568	13,851	30,568	13,851
Education Program Commisions	579	861	579	861
Inhouse education income	11,000	12,800	11,000	12,800
Monthly Tax Update Library	77,947	100,720	77,947	100,720
Monthly Client Newsletter	75,956	72,185	75,956	72,185
Ready Reckoner sales	599	839	599	839
Seminar income - National	90,507	105,473	90,507	105,473
Seminar income - State	32,283	36,905	32,283	36,905
SMSF Manual sales	7,129	13,561	7,129	13,561
Subscriptions	1,760,598	1,991,914	1,675,724	1,889,391
TA Helpline	341	136	341	136
TAIPAL management charge	-	-	126,170	80,764
Tax summary sales	123,965	141,164	123,965	141,164
Webinar Income	37,235	52,995	37,235	52,995
Other income	4,310	5,647	310	1,964
Gain / (Loss) on disposal of property, plant and equipment	822,416	-	822,416	-
Total Revenue from Operating Activities	**3,171,049**	**2,562,138**	**3,112,976**	**2,523,842**
EXPENDITURE				
Operating activities				
Accounting fees	12,313	20,044	7,213	15,464
Audit fees	26,433	28,063	20,500	19,280
Bank fees	1,271	428	1,255	349
Corporate and finance expenses	20,431	27,300	18,164	24,547
Depreciation & amortisation	61,423	65,521	60,442	64,401
Legal fees	7,812	15,527	7,812	13,573
Membership	53,770	79,971	51,946	79,971
National board	41,410	50,115	38,145	43,179
National expenses	10,537	55,228	10,537	55,228
Occupancy	68,764	32,580	68,764	32,580
Office expenses	130,452	100,514	128,817	99,614
Personnel	1,353,079	1,473,451	1,353,079	1,473,451
Publications	205,688	192,850	205,688	192,850
Representation - International	4,737	706	4,737	706
Representation - National	1,459	4,200	1,459	4,200

TAXPAYERS AUSTRALIA LIMITED
AND CONTROLLED ENTITIES
ABN 96 075 950 284

INCOME & EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Economic Entity		Parent Entity	
	2018	2017	2018	2017
	$	$	$	$
Secretarial services	7,066	-	-	-
Seminar expenses - National	42,924	37,035	42,924	37,035
Seminar expenses - State	23,002	21,712	23,002	21,712
SMSF publishing expenses	125,168	116,044	125,168	116,044
Directors fees (Incl SGC) -Operating Activities	61,320	61,320	61,320	61,320
State expenses	1,564	-	1,500	-
Tax policy journal	21,783	-	-	-
Trade subscriptions	12,450	22,898	12,450	22,898
Web-site	4,420	13,502	4,420	13,502
Webinar expenses	11,400	10,025	8,100	10,025
Total Expenses from Operating Activities	**2,310,676**	**2,429,034**	**2,257,442**	**2,401,929**
Profit/ (Loss) from Operating Activities	**860,373**	**133,104**	**855,534**	**121,913**
Other Revenue				
Income from investments	236,990	235,684	224,526	221,204
Gain / (Loss) on sale of investments	85,406	56,617	85,406	56,617
Total Revenue from Other Revenue	**322,396**	**292,301**	**309,932**	**277,821**
Other Expenses				
Investment expenses	24,470	23,578	24,470	23,578
Directors fees (incl SGC) -Investment Activities	15,330	15,330	15,330	15,330
Total Other Expenses	**39,800**	**38,908**	**39,800**	**38,908**
Profit / (Loss) before income tax	**1,142,969**	**386,497**	**1,125,666**	**360,826**
Income tax (expense) benefit	(411,945)	33,378	(411,945)	33,378
Profit / (Loss) after income tax	**731,024**	**419,875**	**713,721**	**394,204**
Other Comprehensive Income				
Unrealised gains on financial assets	151,252	5,458	137,231	1,188
Total Comprehensive Income / (Loss) for the year	**882,276**	**425,333**	**850,952**	**395,392**