

# Financial Executives Institute of Australia

## 31 March 2022

(a company limited by guarantee, ABN 92 000 601 954)

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Financial Executives International of Australia changed its name to Financial Executives Institute of Australia with effect from 1 March 2012

This financial report covers Financial Executives Institute of Australia as an individual entity. The financial report is presented in Australian currency.

Financial Executives Institute of Australia is a company limited by guarantee, incorporated and domiciled in Australia. The registered office and principal place of business for the company is located at Level 24, Three International Towers, 300 Barangaroo Avenue, Barangaroo NSW 2000.

A description of the nature of the company's operations and its principal activities is included in the director's report on page 1. The financial report was authorised for issue on 2 June 2022. The directors have the power to amend and reissue the financial report.

## Financial Executives Institute of Australia

### Directors' Report 31 March 2022

Your directors present their report on Financial Executives Institute of Australia ("FEI") for the year ended 31 March 2022.

#### **DIRECTORS**

The following persons were directors of FEI during the whole of the financial year and continue in office at the date of this report:

David Craig (President)	Keith Neate
Julie Raffe (Vice President)	Neale O'Connell
Michael Bradburn	Tiernan O'Rourke
Susan Ferrier	Nick Plummer
David Lamont	Sam Sheppard
David Malek	

Janelle Hopkins resigned as a director on 22 July 2021.  
Cale Bennett was appointed as a director on 16 June 2021.  
Gillian Larkins was appointed as a director on 22 July 2021.  
Jacob Muscat and Yvonne Martins continue in office as Company Secretary.

#### **PRINCIPAL ACTIVITIES**

The principal activity of FEI is to operate as a not-for-profit association for financial executives in Australia. During the year there was no significant change to FEI's activities and FEI continued to focus on peer networking and mentoring the next generation of senior financial executives.

#### **REVIEW OF OPERATIONS**

The profit/(loss) after tax of FEI for the year ended 31 March 2022 was (\$18,357), compared with a profit/(loss) after tax in the previous year of \$89,290. FEI is registered as a company limited by guarantee and has no share capital. The Memorandum of Association does not permit distributions to members.

#### **Significant changes in the state of affairs**

During the year there were no significant changes in the affairs of FEI other than those referred to in the statements or notes thereto.

#### **Matters subsequent to the end of the financial year**

There has been no other matter or circumstances arising since the end of the financial year that has significantly affected or may significantly affect the operations of FEI, the results of those operations, or the state of affairs of FEI in financial years subsequent to the year under review.

#### **Likely developments and expected results of operations**

For the 2023 financial year, FEI has changed from charging for individual services such as mentoring, to charging a corporate membership fee which encompasses all of our services. This change is not anticipated to have a material impact on future financial performance.

## Financial Executives Institute of Australia

### Directors' Report 31 March 2022 (continued)

#### Environmental regulations

FEI is not materially affected by any environmental regulation in respect of its activities.

#### Information on the Directors and the Secretary

<b>Cale Bennett</b> Global Chief Financial Officer, Corporate Travel Management 25 years in industry finance and accounting	Appointed 16 June 2021
<b>Michael Bradburn</b> Chief Financial Officer, Ausgrid 27 years in finance and accounting	Appointed 23 March 2015
<b>David Craig</b> Former Chief Financial Officer, Commonwealth Bank of Australia Deputy Chairman, Victor Chang Cardiac Research Institute Non-executive Director, Lendlease Group Non-executive Director, Sydney Theatre Company 46 years in finance, consulting and accounting	Appointed 29 February 2012
<b>Susan Ferrier</b> Group Executive, People & Culture, National Australia Bank 32 years in finance & law/professional services	Appointed 30 April 2020
<b>David Lamont</b> Chief Financial Officer, BHP 36 years in industry, finance and accounting	Appointed 3 December 2013
<b>Gillian Larkins</b> Chief Financial Officer, ASX 31 years in industry, finance and accounting	Appointed 22 July 2021
<b>David Malek</b> Chief Financial Officer, Brisbane Airport Corporation 24 years in industry, banking and finance	Appointed 24 November 2017
<b>Keith Neate</b> Former Chief Financial Officer, Virgin Australia Airlines Holdings Pty Limited 39 years in industry, finance and accounting	Appointed 21 October 2014
<b>Neale O'Connell</b> Former Global Chief Financial Officer, Corporate Travel Management Limited 38 years in industry, finance and accounting	Appointed 25 May 2016
<b>Tiernan O'Rourke</b> Chief Financial Officer, Worley 37 years in industry, finance and accounting	Appointed 26 October 2015
<b>Nicholas Plummer</b> Former Managing Director, Directioneering Volunteer at the Asylum Seeker Centre 49 years in marketing, consulting and own business	Appointed 30 August 2016

**Financial Executives Institute of Australia**

**Directors' Report  
31 March 2022  
(continued)**

**Julie Raffe**

Former Finance Director, Village Roadshow Limited  
38 years in industry, finance and accounting

Appointed 30 August 2005

**Samantha Sheppard**

Chief People Officer, Blackwoods &  
Executive General Manager People & Safety Wesfarmers Industrial and Safety (WIS)  
30 years in industry, human resources

Appointed 20 August 2020

**Yvonne Martins, Company Secretary**

Chief Financial Officer, Cloudwerx  
26 years in finance and accounting

Appointed 4 May 2018

**Jacob Muscat, Company Secretary**

Head of Commercial Finance & Control, Ausgrid  
14 years in finance and accounting

Appointed 4 May 2018

**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 4.

**Auditor**

PricewaterhouseCoopers continues in office as auditor in accordance with Section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the directors.



David Craig  
President and Director

Date 2/6/22



## Auditor's Independence Declaration

As lead auditor for the audit of Financial Executives Institute of Australia for the year ended 31 March 2022, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'M Valerio'.

Mark Valerio  
Partner  
PricewaterhouseCoopers

Sydney  
2 June 2022

Financial Executives Institute of Australia

Statement of Comprehensive Income  
for the year ended 31 March 2022

	Note	31 March 2022 \$	31 March 2021 \$
Revenue from continuing operations	2	320,786	244,630
Other income	2	1,070	118,019
Office expenses	3	(20,208)	(13,729)
Employee benefits expenses and consultant expenses		(297,622)	(250,753)
Other expenses		(22,383)	(8,877)
Profit/(loss) before income tax expense		<u>(18,357)</u>	<u>89,290</u>
Income tax expense	4	<u>-</u>	<u>-</u>
Profit/(loss) for the year		(18,357)	89,290
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the year		<u>(18,357)</u>	<u>89,290</u>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

Financial Executives Institute of Australia

Balance Sheet  
as at 31 March 2022

	Note	31 March 2022 \$	31 March 2021 \$
<b>Assets</b>			
Current assets			
Cash and cash equivalents	5	368,884	312,128
Term deposit		159,146	158,868
Trade and other receivables		730	6,219
Prepayments		1,304	45
Total current assets		<u>530,064</u>	<u>477,260</u>
<b>Total assets</b>		<u>530,064</u>	<u>477,260</u>
<b>Liabilities</b>			
Current liabilities			
Trade and other payables		69,458	17,183
Fees in advance	6	53,854	39,331
Employee provisions		20,291	15,928
Total current liabilities		<u>143,603</u>	<u>72,442</u>
<b>Total liabilities</b>		<u>143,603</u>	<u>72,442</u>
<b>Net assets</b>		<u>386,461</u>	<u>404,818</u>
<b>Equity</b>			
Accumulated funds at beginning of year		404,818	315,528
Profit/(loss) for year		(18,357)	89,290
Accumulated funds at end of year		<u>386,461</u>	<u>404,818</u>

*The above balance sheet should be read in conjunction with the accompanying notes.*

Statement of changes in equity  
for the year ended 31 March 2022

	Note	31 March 2022 \$	31 March 2021 \$
Total accumulated funds at the beginning of the financial year		404,818	315,528
Profit/(loss) for the year		(18,357)	89,290
Total accumulated funds at the end of the financial year		<u>386,461</u>	<u>404,818</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes.*

**Financial Executives Institute of Australia**

**Cash flow statement  
for the year ended 31 March 2022**

	Note	31 March 2022 \$	31 March 2021 \$
Cash flow from operating activities			
Receipts from customers including government subsidies ( <i>GST inclusive</i> )		373,853	356,842
Payments to suppliers and employees ( <i>GST inclusive</i> )		(317,399)	(291,389)
		56,454	65,453
Interest received		302	1,195
Net cash inflow/(outflow) from operating activities		56,756	66,648
Cash flow from investing activities		-	-
Net increase/(decrease) in cash held		56,756	66,648
Cash and cash equivalents at the beginning of the financial year		312,128	245,480
Cash and cash equivalents at the end of the financial year	5	368,884	312,128

*The above cash flow statement should be read in conjunction with the accompanying notes.*



**Financial Executives Institute of Australia**

**Notes to the financial statements  
31 March 2022**

**1 Summary of significant accounting policies**

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

**(a) Basis of preparation**

**(i) Special purpose financial report**

In the directors' opinion, the company is not a reporting entity because there are no users dependent on general purpose financial reports.

This is a special purpose financial report that has been prepared for the sole purpose of complying with the Corporations Act 2001 requirements to prepare and distribute a financial report to the members and must not be used for any other purpose.

The financial report has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and other mandatory professional requirements in Australia. It contains only those disclosures considered necessary by the directors to meet the needs of the members. FEI is a not-for-profit entity for the purpose of preparing financial statements.

**(ii) New and amended standards adopted by the company**

There are no other new or amended standards that are applicable to the company in this current reporting period.

**(iii) New accounting standards not yet adopted by the company**

There are no other standards that are not yet effective and that would be expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

**(iv) Historical cost convention**

These financial statements have been prepared under the historical cost convention, financial assets and liabilities at fair value through profit or loss.

**(v) Critical estimates and judgements**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. No areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are applicable.

**Financial Executives Institute of Australia**

**Notes to the financial statements**

**31 March 2022**

**(continued)**

**(b) Income tax**

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

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.

**(c) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties including duties and taxes paid. Revenue is recognised for the major business activities as follows:

**(i) Membership fees**

The company's membership subscription year is 1 April to 31 March, with fees payable annually in advance. Revenue from Membership fees is recognised over time and reflected in the accounting period in which the membership period relates to. Revenue from Membership Fees that relate to accounting periods beyond the current financial year are shown under the heading of Current liabilities as Fees in advance.

**(ii) Mentoring program fees from companies on behalf of members**

The company's mentoring program year is 1 June to 31 May, with fees payable annually in advance. Revenue from the Mentoring program fees is recognised over time and reflected in the accounting period in which the mentoring services are provided in. Revenue from Mentoring program fees that relate to accounting periods beyond the current financial year are shown under the heading of Current liabilities as Fees in advance.

**(iii) Lunch seminar fees**

The company receives revenue from members and non-members through its member events program. This revenue is recognised at a point in time at which the performance obligation of providing the lunch seminar has been satisfied.

**(v) Interest income**

Interest income is recognised on a time proportion basis using the effective interest method.

**Financial Executives Institute of Australia**

**Notes to the financial statements**

**31 March 2022**

**(continued)**

**(d) Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**(e) Cash, cash equivalents and term deposits**

For cash flow statement presentation purposes, 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 or term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

**(f) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

The Company has the following type of financial asset that is subject to AASB 9's expected credit loss model:

- Trade receivables from membership fees and lunch seminars

The Company was required to revise its impairment methodology under AASB 9 for this class of asset. The Company has applied the AASB 9 simplified approach to measuring expected credit losses and no impairment has been identified through this assessment approach.

**(g) Employee benefits**

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service and any accumulating sick leave expected to be settled after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The annual leave liability is shown under the heading of Current liabilities as Employee provisions.

**(h) Fees in advance**

Fees in advance are carried at the original invoice amount for services provided after the year end. They related to mentoring and membership fees for services that will be delivered in the financial year ending 31 March 2023. The amounts received are not expected to be refunded and will be recognised as revenue in the financial year ending 31 March 2023.

Financial Executives Institute of Australia

Notes to the financial statements  
31 March 2022  
(continued)

**2 Revenue from continuing operations and other income**

	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>\$</b>	<b>\$</b>
Revenue from continuing operations		
Membership fees (including membership and lunch seminar 'bundled' offer)	17,883	15,215
Mentoring program fees from companies on behalf of members	302,539	228,528
Lunch seminar fees	364	887
	<u>320,786</u>	<u>244,630</u>
Other income		
Interest Income	302	1,195
COVID-19 initial cash boost to employers	-	47,587
COVID-19 jobkeeper	-	67,800
Other	768	1,437
	<u>1,070</u>	<u>118,019</u>

**3 Office expenses**

The office expenses are made up of:	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>\$</b>	<b>\$</b>
Rent and office charges	6,396	3,685
Website and internet expenses	9,263	6,785
Telephone, printing, postage and computer costs	4,549	3,259
Total office expenses	<u>20,208</u>	<u>13,729</u>

Part of the internet, printing and postage charges are included in the rent and office charges of the serviced office.

**4 Income tax expense**

The company is taxed on its investment income and on the net income from non-members, less deductions applicable to that income. The taxable income in the year ended 31 March 2022 was \$1,434 (31 March 2021: \$2,632). Brought forward tax losses were utilised to reduce the current year taxable income, resulting in a carried forward tax loss at 31 March 2022 of \$69,948 (31 March 2021: \$71,382).

**Financial Executives Institute of Australia**

**Notes to the financial statements  
31 March 2022  
(continued)**

**5 Cash and cash equivalents**

	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>\$</b>	<b>\$</b>
Cash at bank		
Cheque account (Westpac Banking Corporation)	145,008	23,276
Interest bearing account (Westpac Banking Corporation)	223,876	288,852
Total cash and cash equivalents	<u>368,884</u>	<u>312,128</u>

**6 Fees in advance**

	<b>31 March 2022</b>	<b>31 March 2021</b>
	<b>\$</b>	<b>\$</b>
Current liabilities		
Mentoring program fees from companies on behalf of members	53,283	36,622
Membership Fees	381	2,336
Fee rebates	190	373
Total Fees in advance	<u>53,854</u>	<u>39,331</u>

**7 Remuneration of auditors**

During the year \$5,500 GST inclusive (2021 \$3,286) was paid or payable to PricewaterhouseCoopers Australia for the audit of the 31 March 2022 financial statements.

**8 Guarantee**

Financial Executives Institute of Australia is a company limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute up to a maximum of \$20 each towards meeting outstanding obligations of the Company.

**9 Events occurring after the reporting date**

No events have occurred since the reporting date that would materially affect the financial statements.

**Financial Executives Institute of Australia**

**Directors' declaration  
31 March 2022**

**Directors' declaration**

As stated in Note 1(a) to the financial statements, in the directors' opinion the Company is not a reporting entity because there are no users dependent on general purpose financial reports.

The financial report has been prepared in accordance with Accounting Standards and mandatory professional reporting requirements to the extent described in Note 1(a).

In the directors' opinion:

- (a) the financial statements and notes set out on pages 5 to 12 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards and other mandatory professional reporting requirements as detailed above, and the *Corporations Regulations 2001*; and
  - (ii) giving a true and fair view of the Company's financial position as at 31 March 2022 and of its performance for the financial year ended on that date; and
- (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 made in accordance with a resolution of the directors.

  
David Craig  
President and Director

Date 2/6/22



## Independent auditor's report

To the members of Financial Executives Institute of Australia

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### Our opinion

In our opinion:

The accompanying financial report of Financial Executives Institute of Australia (the Company) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 March 2022 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

### *What we have audited*

The financial report comprises:

- the balance sheet as at 31 March 2022
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the cash flow statement for the year then ended
- the notes to the financial statements, which include significant accounting policies and other explanatory information
- the directors' declaration.

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

### *Independence*

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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### Emphasis of matter - basis of accounting and restriction on use

We draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting

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responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for Financial Executives Institute of Australia and its members and should not be used by parties other than Financial Executives Institute of Australia and its members. Our opinion is not modified in respect of this matter.

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### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 March 2022, 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 accordingly 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 on the other information that we obtained prior to the date of this auditor's report, 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.

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### **Responsibilities of the directors for the financial report**

The directors of the Company 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 *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of 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 the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.





A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

PricewaterhouseCoopers

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'mva', with a horizontal line extending to the right.

Mark Valerio  
Partner

Sydney  
2 June 2022