

**THE AUSTRALIAN SOCIETY FOR MICROBIOLOGY
INCORPORATED**
ABN 24 065 463 274

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 March 2017**

The Australian Society for Microbiology Incorporated
ABN 24 065 463 274

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The Australian Society for Microbiology Incorporated

ABN 24 065 463 274

31 March 2017

Officers' Report

The officers present their report together with the financial statements on the incorporated association for the year ended 31 March 2017.

Officers – Council – Executive Committee

The following persons were officers of the incorporated association during the whole of the financial year and up to the date of this report unless otherwise stated.

Prof Roy Robins-Browne	President
Prof Jon Iredell	Immediate Past President
A/Prof Dena Lyras	Vice President, Scientific Affairs
Ms Cheryl Power	Vice President, Corporate Affairs
Dr Jack Wang	Vice President, Communications

Branch and Standing Committee Representatives

The following persons were committee members of the incorporated association during the whole of the financial year and up to the date of this report unless otherwise stated.

Branch Representatives

Ulrike Kappler	QLD Branch Delegate
Fiona Daga	WA Branch Delegate
Dr Karena Waller	VIC Branch Delegate
Slade Jensen	NSW Branch Delegate
Stephen Kidd	SA Branch Delegate
Dr Anthony Baker	TAS Branch Delegate

Standing Committee Representatives

A/Prof Dena Lyras	Chair, National Scientific Advisory Committee
A/Prof Dena Lyras	Research Trust
Dr Mitchell Brown	Visiting Speaker
Prof Julian Rood	National Examination and Qualification Board
Dr Ipek Kurtboke	Editorial Board
Dr Steven Graves	Clinical Microbiology
Dr Paul Taylor	Biosafety and Bio Security
Mr Rodney Bowman	Chair, Workforce Standing Committee

The Australian Society for Microbiology Incorporated
ABN 24 065 463 274
31 March 2017

Officers' Report

Objectives

The objectives of the Association is to :

- To advance the science of microbiology, and
- To foster education, research and any other means of advancing knowledge in any aspect of microbiology

Significant changes

No significant change in the nature of these activities occurred during the year.

Review of operations

The operations surplus of the Association before Comprehensive Income amounted to \$103,246 2016 surplus \$92,560. The Association also received Other Comprehensive Income due to a Net Gain on revaluation of financial assets of \$112,675 , in 2016 a (Net Loss) of \$54,373.

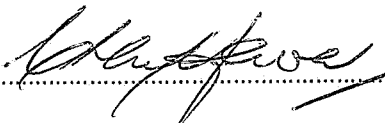
The Association also decided during the year to transfer by way of a donation of funds for the amount of \$60,000 to the Australian Society for Microbiology Research Trust. This amount has been recognized as a Comprehensive Expense for the year ended 31st March 2017.

Signed in accordance with a resolution of the officers



President:

Prof Roy Robins-Browne



Treasurer:

Mrs Cheryl Power

Dated

19/6/17

2017

The Australian Society for Microbiology Inc

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Statement of Profit and Loss and Other Comprehensive Income and Expenditure For the Year Ending 31 March 2017

	Note	2017 \$	2016 \$
Operating Revenue			
Revenue	2	710,866	703,324
Other income	2	28,214	44,602
Total Operation Revenue		739,080	747,926
Operating Expenses			
Conference Expenses		(272,780)	(317,887)
Administrative Costs		(60,606)	(40,613)
Publication Costs		(46,264)	(45,579)
Professional Fees		(108,237)	(114,123)
Sponsorship Expenses		(23,274)	(8,945)
SIG & Branch Expenses		(124,673)	(128,219)
Total Operating Expenses		(635,834)	(655,366)
Surplus before income tax expense		103,246	92,560
Income tax expense		-	-
Surplus after income tax for the year		103,246	92,560
Other Comprehensive Income (Expense) for the year, net of tax			
Donations to the Australian Society for Microbiology Research Trust		(60,000)	(709,641)
Net Gain (Loss) on revaluation of financial assets		112,675	(54,373)
Total Comprehensive Income for the year		155,921	(671,454)

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Statement of Financial Position For the Year Ending 31 March 2017

	Note	2017 \$	2016 \$
Current assets			
Cash and cash equivalents	4	861,260	837,273
Trade and other receivables	5	6,472	8,316
Other current assets	7	2,000	27,966
Total current assets		869,732	873,555
Non-current assets			
Financial Assets	6	587,772	311,627
Total non-current assets		587,772	311,627
TOTAL ASSETS		1,457,504	1,185,182
Current Liabilities			
Trade and other payables	8	33,251	8,107
Borrowings	10	0	0
Other Liabilities	9	222,477	107,384
Total current liabilities		255,728	115,491
Non-current liabilities		-	-
Total non-current liabilities		-	-
TOTAL LIABILITIES		255,728	115,491
NET ASSETS		1,201,776	1,069,691
Members Equity			
Financial Assets Reserve		293,865	181,190
Accumulated Surplus		907,911	888,501
TOTAL MEMBERS EQUITY		1,201,776	1,069,691

The accompanying notes form part of these financial statements

The Australian Society for Microbiology Inc

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Statement of Changes in Equity For the Year Ending 31 March 2017

	Financial Assets Reserve \$	Retained Earnings \$	Total \$
Balance at 31 March 2015	235,563	1,505,582	1,741,145
Net Operating Surplus	0	92,560	92,560
Total other Comprehensive Income (Expenditure) for the year			
Donations to Research Trust	0	(709,641)	(709,641)
Net Gain(Loss) on revelation of Financial Assets	(54,373)	0	(54,373)
Balance at 31 March 2016	181,190	888,501	1,069,691
Net Operating Surplus	-	103,246	103,246
Total other comprehensive Income (Expenditure) for the year			
Donations to Research Trust		(60,000)	(60,000)
Net Gain (Loss) on revaluation of financial Assets	112,675		112,675
Balance 31 March 2017	<u>293,865</u>	<u>931,747</u>	<u>1,225,612</u>

The accompanying notes form part of these financial statements

The Australian Society for Microbiology Inc

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Statement of Cash Flows For the Year Ending 31 March 2017

	Note	2017 \$	2016 \$
Cash Flows from operating activities			
Receipts of Operating income inc GST		783,422	786,838
Dividends received and Franking Credits		21,302	29,014
Donations		3,495	120
Interest received		3,417	11,474
Other revenue		508	0
Distributions received		0	3,994
Payments to suppliers and employees inc GST		<u>(564,687)</u>	<u>(799,162)</u>
Net Cash Flows from/(used in) Operating Activities		247,457	32,278
Donations to ASM Research Trust		<u>(60,000)</u>	<u>(709,641)</u>
Cash Flows from Investing Activities			
Sale of property plant and equipment		0	0
Payment for investments (shares and term deposits)		(237,185)	(69,870)
Redemption of investments shares and term deposits		73,715	1,383,989
Net cash (used in)/from Investing Activities		<u>(163,470)</u>	<u>1,314,119</u>
Cash flows from Financing Activities			
Loans (to) from related parties		0	(294,214)
Net cash from/(used in) Financing Activities		<u>(163,470)</u>	<u>1,019,905</u>
Net increase (Decrease) in cash held		23,987	342,542
Cash at the beginning of the financial year		837,273	494,731
Cash at the end of the financial year		<u>861,260</u>	<u>837,273</u>

The Australian Society for Microbiology Inc

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Notes to the Financial Statement For the Year Ending 31 March 2017

The consolidated financial statements cover The Australian Society for Microbiology Inc as an individual entity as well as the state branches and the special interest groups in the ACT, VIC, NSW, SA, WA & Tasmania. The Australian Society for Microbiology Inc is a not-for-profit association incorporated in the Australian Capital Territory under the *Associations Incorporation Act (ACT) 1991* and registered with the Australian Charities and Not-for-profits Commission.

Note 1. Statement of Significant Accounting Policies

Basis of preparation

The financial statements are general purpose financial statements and have been prepared in accordance with Accounting Standards Reduced Disclosure Requirements and the Associations Incorporation Act (ACT) 1991 and the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act).

Australian Accounting Standards set out accounting policies the Australian Accounting Standards Board (AASB) has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

Reporting basis and conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Revenue and other income

The Association recognises revenue when the amount of revenue can be reliably measured, and it is probable that the future economic benefits will flow to the entity and specific criteria have been met for each of The Australian Society for Microbiology Inc's activities as discussed below.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue

Interest revenue is recognized using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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Notes to the Financial Statement For the Year Ending 31 March 2017

Provision of services

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognized only to the extent that related expenditure is recoverable.

Key estimates – Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. No impairment has been recognised in respect of this financial year.

Income Tax

The Association is exempt from income tax under current legislation. As such no provision for current or deferred income taxes has been made for the year ended 31 March 2017.

Property, Plant and Equipment

Plant and Equipment

Plant and equipment are carried at cost of fair value less, where applicable, any accumulated depreciation and impairment loss. All assets are depreciated over the estimated useful lives of the assets to the entity.

Depreciation

The depreciable amount of plant and equipment are depreciated on a written down value (WDV) or a straight line basis over their useful lives to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate	Method
Plant and Equipment	15%	WDV

The asset's residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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Notes to the Financial Statement For the Year Ending 31 March 2017

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Goods and services tax (GST)

Revenues, expenses and assets are recognized net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade dates, which includes transaction costs, when the related contractual rights of obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in the category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139 Financial Instruments: Recognition and Measurement. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

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Notes to the Financial Statement For the Year Ending 31 March 2017

Held-to-maturity investments

These investments have fixed maturities and it is the entity's intention to hold these investments to maturity. Any held-to-maturity investments held by the entity are stated at amortised cost using the effective interest rate method.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised costs, comprising original debt less principal payments and amortization.

Derivative Instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions with reference to similar instruments and option pricing models.

Critical accounting estimates and judgments

Key estimates – impairment

The Association assesses impairment at the end of each reporting year by evaluating conditions specific to the Association that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key judgements-available-for-sale investments

The Association maintains a portfolio of securities with a carry value of \$311,627 at the end of the reporting period. In the prior years, certain individual investments declined in value. The committee members believe this decline constitutes a significant or prolonged decline below cost and an impairment loss has been recognised.

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 and bank overdrafts. Bank overdrafts are shown with short-term borrowings in current liabilities on the balance sheet.

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Notes to the Financial Statements

For the Year Ending 31 March 2017

	2017	2016
	\$	\$
Note 2		
Revenue		
Memberships and Sales Revenue		
Conference Income	333,636	443,570
Memberships and Operating Income (ASN)	278,124	192,166
SIGS and Branches Income	98,598	65,932
	710,358	701,668
Other revenue from operating (ASN)	508	1,656
Total Membership and Sales revenue	<u>710,866</u>	<u>703,324</u>
Dividend Income and Franking Credits	21,302	29,014
Donations	3,495	120
Interest Income	3,417	11,474
Distribution Income	0	3,994
Total Other Revenue	<u>28,214</u>	<u>44,602</u>
TOTAL REVENUE	<u>739,080</u>	<u>747,926</u>

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Notes to the Financial Statements

For the Year Ending 31 March 2017

	2017	2016
	\$	\$
Note 3 Interests of Key Management Personnel		
No remuneration was paid to the committee members during the financial year		
Note 4 Cash and Cash equivalents		
Reconciliation of cash		
Cash at the end of the financial period as shown in the cash flow statement is reconciled to the statement of financial position as follows		
Cash at bank	<u>861,260</u>	<u>837,273</u>
 Breakdown of Cash per State and Special Interest Group (SIG)		
	2017	2016
	\$	\$
National Office (VIC)	499,030	496,888
 SIGS AND BRANCHES CASH		
NSW Branch	112,966	104,220
SA Branch	15,103	8,898
VIC Branch	61,808	61,036
TAS Branch	26,943	26,483
WA Branch	41,550	29,228
QLD Branch	27,263	27,011
Clinical Serology & Molecular	0	1,344
Parasitology & Tropical Medicine	23,698	23,831
CAP SIG NSW	47,402	52,918
CAP SIG QLD	5,497	5,416
TOTAL SIGS AND BRANCHES CASH	<u>362,230</u>	<u>340,385</u>
TOTAL CASH AT BANK	861,260	837,273

The Australian Society for Microbiology

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Notes to the Financial Statements For the Year Ending 31 March 2017

	2017	2016
Note 5 Trade and Other Receivables		
Trade Receivables	6,472	8,316
GST Receivable	0	0
Other receivable	0	0
ICMS conference surplus receivables	0	0
Total trade and other receivables	<u>6,472</u>	<u>8,316</u>
Bad and doubtful debts		
Trade receivables	0	0
Total bad and doubtful debts	<u>0</u>	<u>0</u>

Current trade debtors are generally on 30 day terms. These receivables are assessed for recoverability and a provision for impairment is recognized when there is objective evidence that an individual trade receivable is impaired. These amounts (if any) have been included in other expense items.

Credit risk – trade and other receivables

The entity does not have any material credit risk to any single receivable or groups of receivables. The following table details the entity's trade and other receivables exposed to credit risk with aging analysis and impairment provided for thereon. Amounts are considered as past due when the debt has not been settled with the terms and conditions agreed between the entity and the debtor party. A provision for impairment is assessed as mentioned above. An assessment has been made that both debts within trading terms and debts that have not been impaired will be received.

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Notes to the Financial Statements
For the Year Ending 31 March 2017

Note 6 Other Financial Assets

	Note	2017 \$	2016 \$
Available for sale financial assets	(a)	587,772	311,607
Held-to-maturity financial assets	(b)	0	0
Total financial assets		587,772	311,607
(a) Available-for-sale financial assets comprise:			
Listed investments, at fair value		587,772	311,627
Shares in listed corporations at market value		587,772	311,627
Total available-for-sale financial assets		587,772	311,627

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**Notes to the Financial Statements
For the Year Ending 31 March 2017**

	2017	2016
	\$	\$
Note 7 Other current assets		
Advance for conferences	2,000	16,701
Prepayments	<u>0</u>	<u>11,265</u>
Total other current assets	2,000	<u>27,966</u>
	2017	2016
	\$	\$
Note 8 Trade and other payables		
Trade and other payables	<u>33,251</u>	<u>8,052</u>
Total trade and other payables	<u>33,251</u>	<u>8,052</u>
Note 9 Other Liabilities		
Current		
Memberships paid in advance	157,018	70,100
Advance 2015 Conference Income	65,459	37,284
Total Other Liabilities	<u>222,477</u>	<u>107,384</u>
Note 10 Borrowings		
Current		
Other loans	0	0
Total Borrowings	<u>0</u>	<u>0</u>

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Notes to the Financial Statements For the Year Ending 31 March 2017

	2017	2016
	\$	\$
Note 11 Auditor's remuneration		
Auditor's remuneration for		
Audit of financial statement	6,000	6,000
Other services	<u>2,200</u>	<u>1,800</u>
Total auditor's remuneration	<u>8,200</u>	<u>7,800</u>
Note 12 Capital and leasing commitments		
Operating lease commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements.		
Payable – minimum lease payments		
- no longer than one year	0	0
- longer than one year but not longer than five years	0	0
- greater than five years	<u>0</u>	<u>0</u>
	0	0

Note 13 Contingent liabilities and Capital Commitments

In the opinion of the Committee of Management the Association did not have any contingent liabilities or Capital Commitments as at 31st March 2016 (or the 31st March 2015 None).

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Notes to the Financial Statements For the Year Ending 31 March 2017

Note 14 **Events after the balance sheet date**

There have been no material non-adjusting events after the reporting date nor has any information been received about conditions at reporting date that have not been included in this report.

Note 15 **Related Party Transactions**

Key management personnel

Disclosures relating to key management personnel are set out in note 16

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 16 **Key management personnel disclosures**

Compensation

The aggregate compensation made to the committee and other members of key management personnel of the incorporated association is set out below:

	2017	2016
	\$	\$
Aggregate compensation	0	0

Note 17 **Financial Risk Management**

The main risk The Australian Society for Microbiology Inc is exposed to through its financial instruments are liquidity risk and market risk consisting of interest rate risk and equity price risk.

The Association's financial instruments consist mainly of deposits with banks, listed investments, account receivable and payable.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

The Australian Society for Microbiology Inc

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Notes to the Financial Statements For the Year Ending 31 March 2017

Note 17 Financial Risk Management continued

	Note	2017	2016
Financial Assets			
Cash and equivalents	4	861,260	837,237
Other Assets	7	2,000	27,966
Trade and other receivables	5	6,472	8,316
Available-for-sale financial assets:			
-at fair value			
-listed investments	6	587,772	311,627
Total available-for-sale financial assets		587,772	311,627
Total financial assets		<u>1,457,504</u>	<u>1,185,182</u>
Financial Liabilities			
Financial liabilities at amortised cost			
-Trade and other payables	8	33,251	8,107
-Other Liabilities	9	222,477	107,384
Total financial liabilities		<u>255,728</u>	<u>115,491</u>

Net fair values

Fair value estimation

Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated.

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**Notes to the Financial Statements
For the Year Ending 31 March 2017**

Note 18 Association Details

The registered office of the association is : 9/397 Smith Street

Fitzroy VIC 3065

The principal place of business is at the registered office.

The Australian Society for Microbiology Inc

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**Notes to the Financial Statements
For the Year Ending 31 March 2017**

Statement by Members of the Committee per section 60.15 of the Australian Charities and Not-for-profits Commission Regulation 2013 and the Associations Incorporation Act (Act 1991).

The Committee declare that in the Committees' opinion ;

1. The attached financial statements and notes thereto comply with the Australian Accounting Standards-Reduced Disclosure Requirements the Associations Incorporation Act (Act 1991) and the Australian Charities and Not-for-profits Commission Act (ACNC Act)
2. The attached financial statements and notes thereto give a true and fair view of the incorporated association's financial position as at 31 March 2017 and of its performance for the financial year ended on that date; and
3. There are reasonable grounds to believe that the incorporated association is able to pay its debts as and when they become due and payable.

This statement is made with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulation 2013 and the Associations Incorporation Act (Act 1991)

President:



Prof Roy Robins-Browne

Treasurer



Mrs Cheryl Power

Dated this

19th June 2017

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
AUSTRALIAN SOCIETY FOR MICROBIOLOGY INCORPORATED**

Opinion

I have audited the financial report of The Australian Society for Microbiology Incorporated (the Entity) which comprises the Statement of Financial Position as at 31st March 2017, the Statement of Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, notes to the financial statements including a summary of significant accounting policies and the declaration by those charged with governance.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Entity as at the 31st March 2017 and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, Reduced Disclosure Requirements and the Associations Incorporation Reform Act 2012.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

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

In preparing the financial report management is responsible for assessing the Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's responsibility for the Audit of the Financial Report

My 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 my 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 or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide the basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

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

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 Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease or continue as a going concern.

Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including deficiencies in internal control that I identify during my audit.

Name of firm E Townsend & Co

Name of Auditor Eric Townsend

Address 15 Taylor Street
Ashburton Vic 3147

Dated this 19/6 2017

The Australian Society for Microbiology Inc
 ABN 24 065 463 274

Notes to the Financial Statements
For the Year Ending 31 March 2017

Branches

	VIC	NSW/ACT	QLD	WA	TAS	SA/NT	Totals
Ordinary Income/Expense							
Income							
5000 · SIGS and Branches Income	31,295.28	29,079.36	10,146.24	26,500.52	5,044.42	17,763.55	119,829.37
Total Income	31,295.28	29,079.36	10,146.24	26,500.52	5,044.42	17,763.55	119,829.37
Expense							0.00
7000 · SIGs and Branches Expenses	29,213.68	21,677.56	9,893.99	14,178.47	4,584.07	11,559.20	91,106.97
Total Expense	29,213.68	21,677.56	9,893.99	14,178.47	4,584.07	11,559.20	91,106.97
Net Ordinary Income	2,081.60	7,401.80	252.25	12,322.05	460.35	6,204.35	28,722.40
Net Income	2,081.60	7,401.80	252.25	12,322.05	460.35	6,204.35	28,722.40

SIGs

	Clinical Serology Molecular	Parasitology and Tropical Medicine	CAPSIG NSW	CAPSIG QLD	Total
Ordinary Income/Expense					
Income					
5000 · SIGS and Branches Income	0.11	0.00	27,915.90	81.42	27,997.43
Total Income	0.11	0.00	27,915.90	81.42	27,997.43
Expense					0.00
7000 · SIGs and Branches Expenses	0.00	133.06	33,433.03	0.00	33,566.09
Total Expense	0.00	133.06	33,433.03	0.00	33,566.09
Net Ordinary Income	0.11	-133.06	-5,517.13	81.42	-5,568.66
Net Income	0.11	-133.06	-5,517.13	81.42	-5,568.66