

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2019

CONTENTS

Directors' Report	3
Auditor's Independence Declaration	9
Statement of Profit and Loss and Other Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Financial Statements	14
Directors' Declaration	25
Independent Auditor's Report	26

General Information

The financial report covers Astronomy Australia Limited as an individual entity. The financial report is presented in Australian Dollars, which is Astronomy Australia Limited's functional and presentation currency.

The financial report consists of the financial statements, notes to the financial statements and directors' declaration.

Astronomy Australia Limited is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. The registered office and principal place of business of the company is:

Swinburne University of Technology
Centre for Astrophysics and Supercomputing
1 John Street
Hawthorn Vic 3122

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial report.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2019

The directors present their report together with the financial statements of the company for the financial year ended 30 June 2019. Astronomy Australia Limited is a company limited by guarantee and is an income tax exempt charitable institution.

Directors

The names of the non-executive directors in office at any time during, or since the end of, the year are:

Prof. Matthew Bailes	Retired 28 November 2018
Dr. Rosalind Dubs	
Prof. Rachel Webster	
Prof. Karl Glazebrook	
Prof. Naomi McClure-Griffiths	
Prof. Chris Tinney	
Prof. Len Sciacca	
Dr. Sarah Pearce	Appointed 28 November 2018

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

Information on directors

Dr. Rosalind Dubs BSc(Hons), Dr ès Sc, FTSE, FAICD

Special responsibilities - Chair of the Audit and Risk Management Committee and a member of the Industry Engagement Working Group. Until 25 February 2019 – Deputy Board Chair and a member of the Executive Remuneration Committee.

Dr Rosalind (Ros) Dubs is a professional company director, currently serving on the boards of government shipbuilder ASC Pty Ltd, the Academy of Technology and Engineering (ATSE) and ANU Enterprise Pty Ltd and is a former director of Aristocrat Leisure Limited. She also chairs the AAO Consortium Board. Dr Dubs' diverse business career has spanned a range of industries in publicly listed, private and government companies in Germany, France and Australia. For Thales SA, she was managing director of a company delivering state-of-the-art navigational aids to 65% of the global aviation market, served as COO of the world's largest exporter of air traffic management systems, and sold mission-critical software and communications systems to the Australian Defence Force. At Airservices Australia, as director of operations support, she was responsible for all engineering operations across Australia. Dr Dubs was appointed to CSIRO's senior executive service in 1983. Within universities, she was Registrar of the ANU from 1985-91, and Deputy Vice-Chancellor (External Relations) at UTS from 2007-09. Dr Dubs chaired the Australian Space Industry Innovation Council during 2010-12.

Prof. Rachel Webster BSc(Hons), PhD

Special responsibilities - Board Chair, Chair of the Executive Remuneration Committee, Chair of the Committee Nominations Subcommittee (for ASAC/APOC), a member of the Committee Nominations Subcommittee (for AATUC/ATAC) and a member of the Audit and Risk Management Committee.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2019

Prof. Rachel Webster is a Professor at The University of Melbourne in the School of Physics where she leads the Astrophysics research group. She has had a stellar career teaching and researching astronomy for over 20 years. Originally gaining her doctorate thesis at Cambridge University, she has spent productive years honing her skills in Canada at the University of Toronto, both teaching and doing research. Her work has been internationally recognized with internationally prestigious scholarships. She was also the inaugural AIP Woman in Physics Lecturer. She is a key member of an international consortium involving Australian, American, Indian and New Zealand astrophysicists to help design and build a new low frequency radio telescope (Widefield Array) at Mileura in Western Australia aiming to detect the first luminous sources in the universe. Rachel is a member of the International Astronomical Union, and an Honorary Fellow of the Astronomical Society of Australia, and a Fellow of the Royal Society of Victoria, and the American Astronomical Society. Rachel is also a Fellow of the Australian Academy of Science.

In her capacity as AAL Board Chair, Rachel also sits on the AAO Consortium Board, AAT Council and the NCA.

Prof. Karl Glazebrook BSc(Hons), PhD, FASA, FAA

Special responsibilities- Deputy Board Chair, a member of the Project Oversight Committee (APOC) and a member of the Committee Nominations Subcommittee (for ASAC/APOC)

Prof. Karl Glazebrook is a Distinguished Professor at Swinburne University of Technology and Director of the Centre for Astrophysics & Supercomputing. His career has spanned the U.K., U.S. and Australia including Professorships at Johns Hopkins University and Swinburne and the award of a prestigious Packard Fellowship. His most notable scientific accomplishments are the development of the 'nod and shuffle' spectroscopic technique, characterising the bimodal colour and environmental distributions of local galaxies, the study of the morphological and spectroscopic evolution of galaxies across cosmic time using Gemini, Hubble and Keck telescopes and the development of innovative cosmological techniques such as 'Baryonic Acoustic Oscillations'. He has been an official ISI "Highly Cited Researcher" and has won the Muhlmann Award for his work on instrumentation. He was elected to the Australian Academy of Science for his research accomplishments in May 2017 and has been a member of the Australian Research Council College of Experts. He has also served as Chair of the International Facilities Working Group of the Australian Astronomy Decadal 2016-2025 Plan and on the Keck Scientific Steering Committee, the Gemini Science and Technology Advisory Committee and the GMT Instrument Development Advisory Committee.

Prof. Naomi McClure-Griffiths BA(Hons), PhD (Astrophysics)

Special responsibilities- a member of the Science Advisory Committee (ASAC) and a member of the Committee Nominations Subcommittee (for ASAC/APOC).

Prof. Naomi McClure-Griffiths is a Professor and ARC Future Fellow at the Research School of Astronomy and Astrophysics (RSAA) at The Australian National University. Prior to this, Naomi spent 13 years at CSIRO holding various roles, including OCE Science Leader and Head of National Facility Science for the Australia Telescope National Facility. Naomi's area of research is in the structure and evolution of gas and magnetic fields in our own Milky Way and the nearby Magellanic System. Her research group uses radio telescopes, including the Australia Telescope Compact Array, Parkes Radio telescope and Green Bank telescope. Naomi co-leads the Galactic ASKAP

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2019

survey, GASKAP, and the Polarisation survey, POSSUM and has roles in SKA science planning, including membership on two SKA Science working groups (HI and The Galaxy), the SKA Science and Engineering Advisory Committee, Australia New Zealand SKA Coordination Committee (ANZSCC) and ANZSCC's Science Advisory Committee. Naomi is a Fellow of the Astronomical Society of Australia and a Member of the International Astronomical Union. Naomi completed her PhD in Astrophysics at the University of Minnesota in Minneapolis, MN USA. She received the 2006 Prime Minister's Malcolm McIntosh Prize for Physical Scientist of the Year and the 2015 Pawsey Medal from the Australian Academy of Science.

Prof. Chris Tinney BSc(Hons), PhD, GAICD

Special responsibilities- a member of the Industry Engagement Working Group and a member of the Committee Nominations Subcommittee (for AATUC/ATAC).

Prof. Chris Tinney is a Professor at UNSW Sydney in the School of Physics, where he heads the Exoplanetary Science at UNSW research group. He obtained his PhD from the California Institute of Technology and has been an active researcher in the field of exoplanets and brown dwarfs for over 25 years. He has worked in both the research infrastructure and University sectors, spending almost 12 years with the Anglo-Australian Observatory as a Research Astronomer, heading the IRIS2 instrument project and becoming Head of Astronomy. He moved to UNSW as a Professorial Fellow in 2007 and was Associate Dean (Research) for UNSW Science from 2013-2017. He is currently the Chair of the AAT Council, and an AAL-nominated Director of the GMTO Corporation.

Prof. Len Sciacca BEng, PhD, FTSE, FIEAust

Special responsibilities – Chair of the Industry Engagement Working Group, a member of the Executive Remuneration Committee and a member of the Audit and Risk Management Committee.

Len Sciacca is a Professor at the University of Melbourne, School of Engineering having been the Chief Partnerships and Engagement for DST Group leading university, industry and community engagement, research partnerships and collaborations. Len has over 30 years research and industrial experience in engineering and senior management roles in Government and industry sectors. He has worked for CSIRO, The Universities of Melbourne and Newcastle and Defence Science Technology Group. Len has extensive experience in forming collaborations and partnerships between stakeholders to form multidisciplinary teams in professional, scientific and engineering environments. He has led several large research and development programs with large teams of scientists and engineers in partnership with universities and industry. Len is a Director of the registered charity Scientific and Support Staff Benevolent Association Ltd, a Fellow of Engineers Australia and a Fellow of the Academy of Technological Sciences and Engineering.

Dr Sarah Pearce BPhys(Hons), PhD

Director - appointed 28 November 2018

Special responsibilities- Chair of the Board Nominations Committee.

Dr Sarah Pearce is the Deputy Director at CSIRO Astronomy and Space Science. Prior to this role, she was Project Manager for GridPP, the UK computing grid for particle physics. Sarah's previous experience includes time as a science advisor in the UK Parliament. Sarah holds a PhD in X-ray

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2019

astronomy from the University of Leicester and an undergraduate degree in Physics from the University of Oxford (Worcester College). Sarah has particular responsibility for CSIRO's role in the Square Kilometre Array project. She has been Australian Science Director on the SKA Board, and part of the negotiating team for the SKA Convention. Sarah also leads CASS's new Space Research Programme. This includes the CSIRO Centre for Earth Observation, which co-ordinates activity in EO across CSIRO and manages CSIRO's share of the new national facility, the NovaSAR satellite.

Prof. Matthew Bailes BSc(Hons), PhD
 Director - retired 28 November 2018

Prof. Matthew Bailes is an ARC Laureate Fellow at Swinburne University of Technology. Prof. Bailes leads the ARC Centre of Excellence for Gravitational Wave Discovery (OzGrav) and is a director of OzGrav Innovations Pty Ltd. His main scientific interests concern the discovery and high precision timing of millisecond radio pulsars and the discovery of extragalactic fast radio bursts (FRBs). He is a member of the advisory board for the Collaboration for Astronomical Signal Processing and Electronics Research (CASPER). He collaborates extensively with MPIfR, the University of Manchester, the Cagliari Radio Observatory, Caltech and the CSIRO. Matthew is leading the redevelopment of the Molonglo Radio Observatory's correlator so that it can time pulsars and search for FRBs. He is the Australian lead of the Breakthrough Listen project to search for Alien transmissions with the Parkes radio telescope and a Principal Investigator on the MeerTime pulsar timing project on the South African Square Kilometre Array pathfinder MeerKAT.

Meetings of Directors

The number of meetings of the company's Board of Directors and of each board committee held during the year ended 30 June 2019, and the number of meetings attended by each director were:

Name	<u>Directors Meetings</u>		<u>Board Committee Meetings</u>	
	No. Eligible to Attend	No. Attended	No. Eligible to Attend	No. Attended
Prof. Matthew Bailes	2	2	-	-
Dr. Rosalind Dubs	4	4	6	6
Prof. Rachel Webster	4	4	3	3
Prof. Karl Glazebrook	4	4	-	-
Prof. Naomi McClure-Griffiths	4	3	-	-
Prof. Chris Tinney	4	4	4	..*
Prof. Len Sciacca	4	4	7	7
Dr. Sarah Pearce	2	2	-	-

* Prof Tinney was unable to attend the scheduled Industry Engagement Working Group meetings due to unavoidable prior commitments with his involvement on the AAT and overseas travel.

Company Secretary

Ms. Catherine Andrews (BA) continues in the position of Company Secretary, having been appointed on 28 February 2018.

Operating Results

The company recorded a surplus of \$160,281 for the financial year ended 30 June 2019 (2018: deficit of \$186,679).

Objectives

Astronomy Australia Limited's core objective is to ensure that astronomers in Australia have access to the best astronomical research infrastructure, including Australian participation in international facilities. Astronomy Australia Limited also seeks to ensure any technical developments and inspirational science generated from that core activity is shared for the broader benefit of all Australians.

Strategy for achieving the objectives

During the financial year the company worked to achieve its core objective by engaging with astronomers in support of the national research infrastructure priorities of the Australian astronomy decadal plan and advising the Australian Government on the investments necessary to realise those priorities.

Principal activities

During the financial year the company's principal activities involved:

1. Communicating directly with every Australian institution with a significant astronomy research capability, regardless of whether they were a member of the company.
2. Managing several major grants from the Australian Government for astronomical research infrastructure.
3. Engaging as a Founder in Giant Magellan Telescope Organisation.
4. Managing the Anglo-Australian Telescope consortium.
5. Partnering in the Australian Astronomical Optics consortium.
6. Responding to an increased scope of activity following the direct detection of gravitational waves.

Performance measures

The company measures its performance in two different ways. For facilities that are currently operational, the company measures the cost of access to the facility and its scientific return (through the number of refereed journal articles). For facilities still under construction, a range of technical and construction milestones exist by which the performance of the project is measured. Both sets of measures are included in the company's annual report to the Department of Industry, Innovation and Science and the Department of Education and Training.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

Contribution on winding up

In the event of the company being wound up, ordinary members are required to contribute a maximum of \$10 each. At 30 June 2019 the total amount that members of the company are liable to contribute if the company is wound up is \$150, based on 15 members (2018: \$160, based on 16 members).

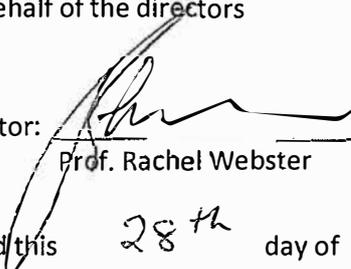
Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out on page 9.

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

On behalf of the directors

Director:


Prof. Rachel Webster

Director:


Dr. Rosalind Dubs

Dated this 28th day of August 2019

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Astronomy Australia Limited for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Australian professional accounting bodies; and
- (ii) any applicable code of professional conduct in relation to the audit.



RSM AUSTRALIA PARTNERS



M PARAMESWARAN
Partner

Dated: 28 August 2019
Melbourne, Victoria

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue and other income	3	13,615,495	7,528,733
Expenses			
Depreciation	8	(2,910)	(4,705)
Grants program expenses		(12,015,977)	(6,425,399)
Employee benefits expenses		(1,097,532)	(947,046)
Other expenses	4	(338,795)	(338,262)
Surplus/(Deficit) for the year		160,281	(186,679)
Other comprehensive income		-	-
Total comprehensive income for the year		160,281	(186,679)

The accompanying notes form part of these financial statements.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
Current Assets			
Cash and cash equivalents	5	17,514,634	14,766,560
Trade and other receivables	6	302,638	3,582,274
Other assets	7	54,392	57,885
Total Current Assets		<u>17,871,664</u>	<u>18,406,719</u>
Non-Current Assets			
Plant and equipment	8	5,439	5,949
Other financial assets	9	826	826
Total Non-Current Assets		<u>6,265</u>	<u>6,775</u>
Total Assets		<u>17,877,929</u>	<u>18,413,494</u>
Current Liabilities			
Trade and other payables	10	5,735,535	4,023,058
Employee benefits	11	96,790	64,767
Other liabilities	12	8,912,061	11,340,345
Total Current Liabilities		<u>14,744,386</u>	<u>15,428,170</u>
Non-Current Liabilities			
Employee benefits	13	4,999	17,061
Total Non-Current Liabilities		<u>4,999</u>	<u>17,061</u>
Total Liabilities		<u>14,749,385</u>	<u>15,445,231</u>
Net Assets		<u>3,128,544</u>	<u>2,968,263</u>
Equity			
Reserves	14	2,765,054	2,617,485
Retained surpluses		363,490	350,778
Total Equity		<u>3,128,544</u>	<u>2,968,263</u>

The accompanying notes form part of these financial statements.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Retained Surpluses \$	Overseas Optical Reserve \$	NCRIS Reserve \$	Total Equity \$
Balance at 30 June 2017	471,173	2,595,370	88,399	3,154,942
Deficit for the year	(186,679)	-	-	(186,679)
Transfer to Reserves	(196,175)	37,456	158,719	-
Allocation from Reserves	262,459	(156,490)	(105,969)	-
Balance at 30 June 2018	350,778	2,476,336	141,149	2,968,263
Surplus for the year	160,281	-	-	160,281
Transfer to Reserves	(197,096)	46,249	150,847	-
Allocation from Reserves	49,527	(49,527)	-	-
Balance at 30 June 2019	363,490	2,473,058	291,996	3,128,544

The accompanying notes form part of these financial statements.

ASTRONOMY AUSTRALIA LIMITED
STATEMENT OF CASH FLOWS
ABN 19 124 973 584
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Receipts from grants, members and AAT Consortium parties		19,162,812	14,337,666
Interest received		203,529	203,266
Payments to suppliers and employees		<u>(16,615,867)</u>	<u>(8,538,739)</u>
Net cash provided by/(used in) operating activities	15	<u>2,750,474</u>	<u>6,002,193</u>
Cash flows from investing activities			
Payment for other financial assets		-	(826)
Payment for property, plant & equipment	8	<u>(2,400)</u>	<u>(4,712)</u>
Net cash provided by/(used in) investing activities		<u>(2,400)</u>	<u>(5,538)</u>
Net increase/(decrease) in cash and cash equivalents		2,748,074	5,996,655
Cash at beginning of the financial year		14,766,560	8,756,602
Effects of exchange rate changes on cash and cash equivalents		-	13,303
Cash at end of the financial year	5	<u>17,514,634</u>	<u>14,766,560</u>

The accompanying notes form part of these financial statements.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Astronomy Australia Limited is a company limited by guarantee incorporated and domiciled in Australia. The company is a not-for-profit income tax exempt charitable institution.

1. Summary of Significant Accounting Policies

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

AASB 9 Financial Instruments

The company has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest.

New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Impact of adoption

AASB 9 was adopted using the modified retrospective approach and as such comparatives have not been stated. There was no impact on opening retained surpluses as at 1 July 2018.

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, Australian Accounting Interpretations, other pronouncements of the Australian Accounting Standards Board (AASB) and the *Australian Charities and Not-for-profits Commission Act 2012*.

Historical cost convention

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

Revenue recognition

Grants

Grant revenue is recognised when the company obtains control of the grant and the amount of the grant can be measured reliably. If conditions are attached to the grant, recognition of the grant as revenue is brought to account to match expenditure of the grant across the year as grant conditions are satisfied. Any unspent funds at year-end are carried forward as a

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

liability (Deferred Grants) in the company's Statement of Financial Position until all conditions have been met.

Membership fees

Membership fees are invoiced annually during the year and recognised as revenue when invoiced. Any membership fees which are paid in advance for future years, are carried forward as income in advance at year-end and amortised into revenue for the relevant year.

AAT Consortium Income

As manager of the AAT Consortium, the company is entitled to a management fee, in accordance with the terms of the AAT Consortium Agreement. AAT Consortium income is recognised after the annual management fee has been approved by the AAT Council, as part of the AAT Consortium's annual budget.

Interest Income

Interest revenue is recognised on an accrual basis using the effective interest method.

Sundry Income

Sundry income represents miscellaneous income and is recognised when it is earned.

All revenue is stated net of the amount of Goods and Services Tax (GST).

Comparative Figures

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

Income Taxation

The company is a charitable institution endorsed by the Australian Charities and Not-for-profits Commission as a charity and is exempt from paying income taxation.

Plant and Equipment

Office Furniture and Equipment

Office, furniture and equipment are carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Depreciation

The depreciable amount of office, furniture and equipment is calculated on a diminishing value over their useful lives to the company commencing from the time the asset is held ready for use.

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

<u>Class of Fixed Assets</u>	<u>Depreciation Rate</u>	<u>Method</u>
Office Furniture & Equipment	15% to 50%	Diminishing value

The assets' residual values and useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income.

Impairment of non-financial assets

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 to sell and its 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.

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. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee Benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. 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 national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, deposits held at call with banks and other short-term highly liquid investments.

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 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 in the statement of cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

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

2. Critical accounting judgements, estimates and assumptions

Management of the company make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however, as additional information is known then the actual results may differ from estimates.

The directors have not made any significant accounting estimates or judgements which are likely to affect the future results of the company.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
3. Revenue and other income		
Government grants	12,217,443	6,371,069
Government administration grant	798,361	700,000
Members' subscriptions	250,558	251,466
AAT Consortium income	75,000	-
Interest received – General Account	8,352	9,736
Interest received – NCRIS Account	150,861	158,973
Interest received – Overseas Optical Reserve Account	46,249	37,489
Interest received – AAT Consortium	6,785	-
Other income	61,886	-
Total	13,615,495	7,528,733
4. Result for the year		
The result for the year includes the following specific expenses:		
Legal expenses – re the AAT Consortium establishment	-	38,190
Legal expenses – re the AAO Consortium establishment	-	19,667
Legal expenses - re general operations	19,551	31,623
Audit expenses	12,452	12,200
Superannuation expense	93,895	78,626
Realised foreign exchange (gains)/losses	-	31,278
Unrealised foreign exchange (gains)/losses	-	(13,303)
5. Cash and Cash Equivalents		
Cash on hand	657	389
Cash at bank – General accounts	631,164	491,785
Cash at bank – AAT Consortium	3,326,077	-
Cash at bank – Grant accounts	9,056,736	13,767,012
Term Deposits – Grant accounts	4,500,000	507,374
	17,514,634	14,766,560
6. Trade and Other Receivables		
Trade debtors	286,000	86,842
Receivables due under AAT Consortium Agreement (refer Note 10)	-	3,492,500
Other receivables	16,638	2,932
	302,638	3,582,274

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
7. Other Assets		
Prepaid expenses	54,392	57,885
	<u>54,392</u>	<u>57,885</u>
8. Plant and Equipment		
Office Furniture and Equipment		
At cost	28,537	26,137
Less accumulated depreciation	(23,098)	(20,188)
Total Office Furniture and Equipment	<u>5,439</u>	<u>5,949</u>

Reconciliations

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

	Office Furniture & Equipment	Total
Balance at 1 July 2017	5,942	5,942
Additions	4,712	4,712
Disposals	-	-
Depreciation expense	(4,705)	(4,705)
Balance at 30 June 2018	<u>5,949</u>	<u>5,949</u>
Additions	2,400	2,400
Disposals	-	-
Depreciation expense	(2,910)	(2,910)
Balance at 30 June 2019	<u>5,439</u>	<u>5,439</u>

9. Other Financial Assets – non-current

Shares in CTAO gGmbH	826	826
	<u>826</u>	<u>826</u>

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
10. Trade and Other Payables		
Trade creditors	1,885,110	23,066
Sundry payables and accrued expenses	455,717	148,922
Net GST Payable	68,631	676,070
Payable under AAT Consortium Agreement to ANU, refer note below	3,151,077	3,125,000
Deferred income under AAT Consortium Agreement	175,000	50,000
	<u>5,735,535</u>	<u>4,023,058</u>
<p>Anglo-Australian Telescope Consortium - During the financial year, in accordance with the Anglo-Australian Telescope (AAT) Consortium Agreement executed on 20 June 2018, Astronomy Australia Limited, as manager of that Consortium, invoiced the contributors for their funding contributions totalling \$3,175,000 plus GST (2018: \$3,175,000 plus GST – refer note 6 Trade and Other Receivables). The above liability represents the amounts payable to Australian National University (ANU) as the operator of the Anglo-Australian Telescope under the AAT Consortium Agreement.</p>		
11. Employee Benefits – Current		
Provision for long service leave	39,480	9,084
Provision for annual leave	57,310	55,683
	<u>96,790</u>	<u>64,767</u>
12. Other Liabilities		
ANDS Grant deferred	-	20,000
DoIIS* 2015 Grant deferred	35,654	231,654
DoIIS* 2016 Grant deferred	96,621	590,690
NCRIS 2016 Grant deferred	945,079	1,717,985
DoIIS* 2017 Grant deferred	350,000	350,000
NCRIS 2017 Grant deferred	-	5,026,925
ACAMAR DoIIS 2018 Grant deferred	55,814	60,000
DoIIS* 2018 - 2022 Grant deferred	332,250	285,000
NCRIS 2018 - 2023 Grant deferred	6,841,643	3,058,091
ACAMAR DoIIS 2019 Grant deferred	160,000	-
RDS NCRIS Grant deferred	95,000	-
	<u>8,912,061</u>	<u>11,340,345</u>

*DoIIS –Department of Industry, Innovation and Science

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

Movement in Deferred Grants

	ANDS	NCRIS 2016	NCRIS 2017	NCRIS 2018- 2023
	\$	\$	\$	\$
2018				
Opening Balance 1 July 2017	60,000	1,920,000	-	-
Grant receipts	-	-	9,037,425	3,058,091
Grant expenses	(40,000)	(202,015)	(4,010,500)	-
Closing Balance 30 June 2018	20,000	1,717,985	5,026,925	3,058,091
2019				
Grant receipts	-	-	-	9,745,270
Grant expenses	(20,000)	(772,906)	(5,026,925)	(5,961,718)
Closing Balance 30 June 2019	-	945,079	-	6,841,643

	DoHS 2015	DoHS 2016	DoHS 2017	DoHS 2018 - 2022
	\$	\$	\$	\$
2018				
Opening Balance 1 July 2017	764,654	1,680,000	350,000	-
Grant receipts	-	-	-	285,000
Grant expenses	(533,000)	(1,089,310)	-	-
Closing Balance 30 June 2018	231,654	590,690	350,000	285,000
2019				
Grant receipts	-	-	-	227,250
Grant expenses	(196,000)	(494,069)	-	(180,000)
Closing Balance 30 June 2019	35,654	96,621	350,000	332,250

	RDS NCRIS	DoHS ACAMAR 2018	DoHS ACAMAR 2019
	\$	\$	\$
2018			
Opening Balance 1 July 2017	-	-	-
Grant receipts	170,000	60,000	-
Grant expenses	(170,000)	-	-
Closing Balance 30 June 2018	-	60,000	-
2019			
Grant receipts	455,000	-	160,000
Grant expenses	(360,000)	(4,186)	-
Closing Balance 30 June 2019	95,000	55,814	160,000

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
13. Employee Benefits – Non-Current		
Provision for long service leave	4,999	17,061
	<u>4,999</u>	<u>17,061</u>
14. Reserves		

Movement in reserves is set out in the Statement of Changes in Equity.

Overseas Optical Reserve

As part of the Australian Research Council's (ARC) financial arrangements with Sydney University for paying for the Australian share of the Gemini telescope, a substantial reserve was established. When the ARC's grant for Gemini was transferred from Sydney University to the company, the "Gemini Reserve" was also transferred to the company. The company and the ARC agreed that the primary use of this reserve would be to cover shortfalls in payments to overseas optical telescope facilities due to currency fluctuations and funding gaps due to breaks in the receipt of Australian Government grants. This reserve was therefore renamed by the company to the "Overseas Optical Reserve". The ARC also agreed that the company could draw a management fee and fund related student schemes at the level of approximately 2% of the balance of the Reserve.

For this financial year a 2% administration fee of \$49,527 has been transferred from the Overseas Optical Reserve (2018 - \$51,907). Other transfers from the Overseas Optical Reserve for this financial year total \$Nil (2018 - \$104,583).

15. Reconciliation of result for year to cash from operating activities

	2019	2018
	\$	\$
Surplus/(deficit) for the year	160,281	(186,679)
Adjustments for non-cash flows:		
Depreciation	2,910	4,705
Unrealised foreign currency (gain)	-	(13,303)
Changes in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	3,279,636	(3,372,832)
(Increase)/decrease in other current assets	3,493	(57,885)
Increase/(decrease) in trade and other payables	1,712,477	3,941,791
Increase/(decrease) in current provisions	32,023	15,158
Increase/(decrease) in non-current provisions	(12,062)	11,390
Increase/(decrease) in other current liabilities	(2,428,284)	5,659,848
Net cash from operating activities	<u>2,750,474</u>	<u>6,002,193</u>

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

16. Key Management Personnel Disclosures

The aggregate compensation made to directors and other members of key management personnel of the company is set out below.

	2019	2018
	\$	\$
Total compensation	<u>293,766</u>	<u>255,647</u>

17. Commitments

Capital expenditure commitments as at 30 June 2019 - \$Nil (30 June 2018: \$Nil).

As at 30 June 2019, commitments for expenditure for access to the Magellan telescopes - \$Nil (30 June 2018: Magellan & Subaru telescopes \$507,374).

18. Segment Reporting

The company operates predominantly in one business and geographical segment being liaison with the astronomy community and managing Australian Government grants for national astronomical research infrastructure.

19. Economic Dependency

The company receives the majority of its grant funds from the Department of Education and Training and the Department of Industry, Innovation and Science and is dependent on the continuation of these grant funds.

20. Related Party Transactions

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

Directors of the company in office during the year are disclosed in the directors' report that accompanies these financial statements.

There were no transactions with related parties during the financial year and no amounts payable or receivable from related parties at the reporting date.

21. Events After the Reporting Period

No matter or circumstance has arisen since 30 June 2019 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 the future financial years.

22. Members' Guarantee

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute to a maximum of \$10 each towards meeting any outstandings and obligations of the company. At 30 June 2019 the number of members was 15 (2018: 16).

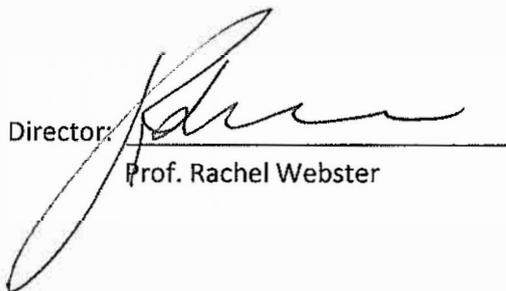
ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' DECLARATION

The directors of the company declare that:

- the financial statements and notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*;
- the financial statements and notes comply with Australian Accounting standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulations 2013*;
- the financial statements and notes give a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of directors made pursuant to section 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.

On behalf of the directors

Director: 
Prof. Rachel Webster

Director: 
Dr. Rosalind Dubs

Dated this 28th day of August 2019

RSM Australia Partners

Level 21, 55 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61(0) 3 9286 8000
F +61(0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REPORT To the Members of Astronomy Australia Limited

Opinion

We have audited the financial report of Astronomy Australia Limited (the company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the financial report of the company has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the entity's financial position as at 30 June 2019 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

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

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

Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2019, but does not include the financial report and the 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.

Other Information (Continued.)

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

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for 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 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 to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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. This description forms part of our auditor's report.

A handwritten signature in blue ink, appearing to read 'RSM'.

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read 'M Parameswaran'.

M PARAMESWARAN

Partner

Dated: 28 August 2019
Melbourne, Victoria