

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

CONTENTS

Directors' Report	3
Auditor's Independence Declaration	11
Statement of Profit and Loss and Other Comprehensive Income	12
Statement of Financial Position	13
Statement of Changes in Equity	14
Statement of Cash Flows	15
Notes to the Financial Statements	16
Directors' Declaration	30
Independent Auditor's Report	31

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.

The directors present their report together with the financial statements of the company for the financial year ended 30 June 2022. Astronomy Australia Limited (AAL) is a company limited by guarantee and is an income tax exempt charitable institution.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Directors

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

Dr. Rosalind Dubs	Retired 25 November 2021
Prof. Rachel Webster	Retired 25 November 2021
Prof. Karl Glazebrook	
Prof. Naomi McClure-Griffiths	
Prof. Len Sciacca	
Dr. Sarah Pearce	Retired 25 November 2021
Prof. Orsola De Marco	
Susan Weston PSM	Appointed 25 November 2021
Prof. Jonathan (Joss) Bland-Hawthorn	Appointed 25 November 2021
Prof. Cathryn Trott	Appointed 25 November 2021

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

Director – retired 25 November 2021

Dr Rosalind (Ros) Dubs is a professional company director, currently serving on the boards of government shipbuilder ASC Pty Ltd, ANU Enterprise Pty Ltd and SmartSat CRD 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.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Prof. Rachel Webster AO, BSc(Hons), PhD, FAA

Director – retired 25 November 2021

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.

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

Special responsibilities- Deputy Board Chair, AAL's representative on the Astralis Instrumentation Consortium Board and a member of the Australia – ESO Co-ordinating Group

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 – Board Chair (until May2022), a member of the Audit and Risk Management Committee, a member of the HR and Remuneration Committee and a member of the Committee Nominations Committee.

Prof. Naomi McClure-Griffiths is a Professor 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

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

radio telescopes, including the Australia Telescope Compact Array, Parkes Radio telescope and Green Bank telescope. Naomi co-leads the Galactic ASKAP 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. Len Sciacca BEng, PhD, FTSE, FIEAust

Special responsibilities – Chair of the Industry Engagement Working Group, a member of the HR and 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 – retired 25 November 2021

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 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 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.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Prof. Orsola De Marco BSc(Hons), PhD

Special responsibilities – Board Chair (from May 2022), Chair of the Board Nominations Committee, a member of the Committee Nominations Committee and a member of the Project Oversight Committee (APOC).

Prof. Orsola De Marco is a Professor at Macquarie University and Director of the Macquarie Research Centre for Astronomy, Astrophysics and Astrophotonics. She obtained her PhD at University College London as a Perren Scholar, after which she was a Swiss National Science Foundation research fellow at ETH Zurich, a FUSE Fellow at University College London and Asimov Fellow at the American Museum of Natural History in New York City. She was an ARC Future Fellow. Her research focusses on stellar interactions and how they alter the structure and evolution of stars in multiple systems. She has used Hubble, Chandra and Spitzer space telescopes as well as ground based interferometric capabilities of the Very Large Telescope to detect and characterise stellar companions and their role on the evolution of stars. She is a key proponent of the Binary Hypothesis for the formation of planetary nebulae. She has pioneered modern 3D hydrodynamic simulations of the critically-important common envelope interaction that is the linchpin in any theory of the formation of compact binaries. She is an active populariser of science, has been the Einstein Lecturer for The Australian Institute of Physics and is the Director of Macquarie University's Association for Astronomy including Macquarie's Observatory and Planetarium and Astronomy Open Night, jointly welcoming over 3000 visitors per year.

Orsola is vice-president of the International Astronomical Union Commission H3, Planetary Nebulae and a fellow of the Astronomical Society of Australia, the American Astronomical Society and International Astronomical Union.

Susan (Sue) Weston PSM, BSc, GradDipAcc, FCPA, CA, GAICD

Director – appointed 25 November 2021

Special responsibilities – Chair of the Audit and Risk Management Committee and a member of the HR and Remuneration Committee.

Sue Weston has worked in the Australian Public Service for the majority of her career, including holding a number of roles in the Department of Industry, Innovation and Science. She was the Deputy Secretary responsible for science policy in the lead up to the government's decision to agree to become a strategic partner with the European Southern Observatory (ESO), and during implementation of the government elements of this initiative, Sue was Australia's first government representative at ESO. She is a member of several boards and committees, including the Advisory Board of the ARC Centre of Excellence in All Sky Astrophysics, and was previously the CEO of Comcare.

Sue's experience in government has included working on business education and training in the ATO; small business policy and overseeing departmental budget processes.

Professor Joss Bland-Hawthorn BSc (Hons), PhD, FAA, FOSA

Director – appointed 25 November 2021

Special responsibilities – a member of the Industry Engagement Working Group, a member of the Australian GMT Committee and a member of the Committee Nominations Committee.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

Professor Joss Bland-Hawthorn is an ARC Laureate Professor at the Sydney Institute for Astronomy at the University of Sydney. Prior to this, Joss spent 14 years at the Anglo-Australian Observatory, Sydney as Head of Instrument Science. Joss's research is in Galactic archaeology, Milky Way dynamics, galaxy formation and evolution, and astronomical instrumentation. Joss leads the Galactic Archaeology with HERMES (GALAH) survey at the Anglo-Australian Telescope. He is co-founder of the Institute of Photonics and Optical Science (IPOS) and Project Scientist for the Sydney Astrophotonic Instrumentation Labs (SAIL) at the University of Sydney. He serves on the Astralis Board, the Annual Reviews of Astronomy & Astrophysics Board, and is Vice President of the Astronomical Society of Australia.

Joss completed his PhD at the Royal Greenwich Observatory and the University of Sussex, UK. He has received numerous awards including the 2017 Thomas Ranken Lyle medal from the Australian Academy of Science, the first astronomer to receive this in over 40 years.

Professor Cathryn Trott *BSc (Hons), PhD, FASA, FAIP*

Director – appointed 25 November 2021

Special responsibilities – A member of AAL's Science Advisory Committee (ASAC) and AAL's representative on the AAT Council.

Professor Cathryn Trott is an ARC Future Fellow and Chief Investigator and Node Leader for the ARC Centre of Excellence for All Sky Astrophysics in 3D. She leads the Epoch of Reionisation project at the International Centre for Radio Astronomy Research at Curtin University, and is the current spokesperson for the international Murchison Widefield Array (MWA) Epoch of Reionisation Collaboration, and a member of the MWA Board.

Cathryn is heavily involved in planning for the future Square Kilometre Array (SKA) project, and serves on the Australian SKA Science Advisory Committee. She is the most recent Past President of the Astronomical Society of Australia, and currently serves on the ASA Executive. She has received several awards, including the 2020 Australian Academy of Science Nancy Millis Medal.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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 2022, 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
Dr. Rosalind Dubs	2	2	3	3
Prof. Rachel Webster	2	2	-	-
Prof. Karl Glazebrook	4	4	-	-
Prof. Naomi McClure-Griffiths	4	3	3	2
Prof. Len Sciacca	4	4	6	6
Dr. Sarah Pearce	2	2	2	2
Prof. Orsola De Marco	4	4	1	1
Susan Weston	2	1	3	3
Prof. Joss Bland-Hawthorn	2	2	1	1
Prof. Cathryn Trott	2	2	-	-

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 deficit of \$3,591,188 for the financial year ended 30 June 2022 (2021: surplus of \$3,816,546).

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 Astralis Instrumentation Consortium (formerly the Australian Astronomical Optics (AAO) Consortium).
6. Seeking to advance the opportunities offered from Australian membership of the European Southern Observatory (ESO).
7. Exploring the opportunities offered from 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 Education and the Department of Industry, Science and Resources.

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 2022 the total amount that members of the company are liable to contribute if the company is wound up is \$150, based on 15 members (2021: \$150, based on 15 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 11.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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

On behalf of the directors



Prof. Naomi McClure-Griffiths

Director



Susan Weston

Director

Dated this 21st day of October 2022

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Astronomy Australia Limited for the year ended 30 June 2022,

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* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



RSM AUSTRALIA PARTNERS



M PARAMESWARAN

Partner

Dated: 21 October 2022

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 2022

	Note	2022 \$	2021 \$
Revenue and other income	3	8,578,419	17,971,392
Expenses			
Depreciation expense	8	(3,500)	(5,359)
Grants program expenses		(10,779,610)	(12,702,817)
Employee benefits expenses		(1,137,963)	(1,283,459)
Other expenses	4	(248,534)	(163,211)
Surplus/(Deficit) for the year		(3,591,188)	3,816,546
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year		(3,591,188)	3,816,546

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 2022

	Note	2022 \$	2021 \$
Current Assets			
Cash and cash equivalents	5	14,785,728	22,260,232
Trade and other receivables	6	5,290	-
Other assets	7	70,620	58,869
Total Current Assets		14,861,638	22,319,101
Non-Current Assets			
Plant and equipment	8	7,637	11,237
Other financial assets	9	826	826
Total Non-Current Assets		8,463	12,063
Total Assets		14,870,101	22,331,164
Current Liabilities			
Trade and other payables	10	6,174,483	5,131,110
Employee benefits	11	82,787	134,369
Contract liabilities	12	2,527,432	7,388,423
Total Current Liabilities		8,784,702	12,653,902
Non-Current Liabilities			
Employee benefits	13	22,737	23,412
Total Non-Current Liabilities		22,737	23,412
Total Liabilities		8,807,439	12,677,314
Net Assets		6,062,662	9,653,850
Equity			
Reserves	14	4,329,198	8,061,515
Retained surpluses		1,733,464	1,592,335
Total Equity		6,062,662	9,653,850

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 2022

	Retained Surpluses \$	Overseas Optical Reserve \$	NCRIS Reserve \$	Total Equity \$
Balance at 30 June 2020	872,654	2,627,129	2,337,521	5,837,304
Surplus for the year	3,816,546	-	-	3,816,546
Transfer to Reserves	(10,128,837)	17,052	10,111,785	-
Allocation from Reserves	7,031,972	-	(7,031,972)	-
Balance at 30 June 2021	1,592,335	2,644,181	5,417,334	9,653,850
Deficit for the year	(3,591,188)	-	-	(3,591,188)
Transfer to Reserves	(1,967,196)	11,584	1,955,612	-
Allocation from Reserves	5,699,513	-	(5,699,513)	-
Balance at 30 June 2022	1,733,464	2,655,765	1,673,433	6,062,662

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 2022

	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from grants, members and AAT Consortium parties		7,934,612	29,112,815
Interest received		48,472	72,037
Payments to suppliers and employees		(15,457,588)	(18,844,108)
Net cash (used in)/ provided by operating activities	15	(7,474,504)	10,340,744
Cash flows from investing activities			
Payments for property, plant & equipment	8	-	(1,036)
Net cash provided by/(used in) investing activities		-	(1,036)
Net increase/(decrease) in cash and cash equivalents		(7,474,504)	10,339,708
Cash and cash equivalents at beginning of the financial year		22,260,232	11,920,524
Cash and cash equivalents at end of the financial year	5	14,785,728	22,260,232

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 2022

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 or amended Accounting Standards and Interpretations adopted

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The company has adopted the revised Conceptual Framework from 1 July 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the company's financial statements.

AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

The company has adopted AASB 1060 from 1 July 2021. The standard provides a new Tier 2 reporting framework with simplified disclosures that are based on the requirements of IFRS for SMEs. As a result, there is increased disclosure in these financial statements for remuneration to auditors.

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures issued by the Australian Accounting Standards Board (AASB), the Australian Charities and Not-for-profits Commission Act 2012 and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

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.

1. Summary of Significant Accounting Policies (continued)

Revenue recognition

Revenue from contracts with customers

Under AASB15, revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company applies a five-step model, as follows:

1. Identifies the contract with the customer.
2. Identifies the performance obligations.
3. Determines the transaction price.
4. Allocates the transaction price to the separate specific performance obligations.
5. Recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Grant revenue

Where grant revenue arises from an agreement which is enforceable and contains sufficiently specific performance obligations, then the revenue is recognised when the company satisfies the performance obligations stated within the funding agreements. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer to the customer of the services provided. Within the grant agreements, there may be some performance obligations where control transfers at a point in time and others which transfer over time. Refer to Note 3 for the revenue breakdown by timing of revenue recognition.

If conditions are attached to the grant which must be satisfied before the company is eligible to retain the revenue, the grant will be recognised in the Statement of Financial Position as a contract liability until those conditions are satisfied.

For contracts which are either not enforceable or do not have sufficiently specific performance obligations, AASB 1058 will apply. Grant amounts under AASB 1058 are recognised at the assets fair value when the asset is received. Any related liability items associated with the asset will be recognised in accordance with the relevant accounting standard. The income is then recognised upfront, upon receipt of the grant funds.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

Membership fees

Membership fees are invoiced annually during the year and recognised as revenue when invoiced. In prior years, any membership fees which were paid in advance for future years, were carried forward as income in advance at year-end and amortised into revenue for the relevant year. However, under AASB 1058, all membership fees are recognised upfront, regardless of the year to which they relate.

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 approved by the AAT Council, as part of the AAT Consortium's annual budget. The company recognises AAT Consortium income in accordance with AASB 15.

Interest Revenue

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

Sundry Income

Sundry income represents miscellaneous income. Depending on the type of income, existence of performance obligations and associated terms and conditions, sundry income may be recognised under AASB 15 or AASB 1058. Each sundry income item is assessed to determine which standard applies and therefore, how revenue is to be recognised.

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 Tax

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 tax.

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.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. Summary of Significant Accounting Policies (continued)

Contract assets

Contract assets are recognised when the company has transferred goods or services to the customer but where the company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

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.

1. Summary of Significant Accounting Policies (continued)

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.

Contract liabilities

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

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.

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.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. Summary of Significant Accounting Policies (continued)

Goods and Services Tax ('GST') and other similar taxes (continued)

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates made, assume a reasonable expectation of future events but actual results may differ from these estimates.

Grant income

For many of the grant agreements received by the company, management exercised judgement in determining whether the contract is a contract with a customer and the other considerations as outlined in Note 1. This determination involved discussions with a number of parties at the company and consideration of contract terms and conditions.

Grants received by the company have been accounted for under both AASB 15 and AASB 1058, depending on the terms and conditions and the decisions made. If this determination was changed then the revenue recognised would be different from that recognised for the current financial year as shown in these financial statements.

	2022	2021
	\$	\$
3. Revenue and other income		
Government grants	7,106,453	15,743,392
Government administration grant	944,747	1,008,778
AAT Consortium income	182,070	187,560
Members' subscriptions	294,696	327,507
Other income	-	640,000
Interest received – General Account	2,071	4,586
Interest received – NCRIS Account	31,613	39,746
Interest received – Overseas Optical Reserve	11,584	17,051
Interest received – AAT Consortium	5,185	2,772
Total	8,578,419	17,971,392

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

3. Revenue and other income (continued)

Disaggregation of revenue – For the year ended 30 June 2022

Revenue for the above income streams are recognised in accordance with AASB 15 or AASB 1058 as follows:

	AASB 1058	AASB 15	2022 Total
	\$	\$	\$
Government grants - programs	811,500	7,239,700	8,051,200
AAT Consortium income	-	182,070	182,070
Members' subscriptions	294,696	-	294,696
Total	<u>1,106,196</u>	<u>7,421,770</u>	<u>8,527,966</u>
Interest revenue – total all accounts			50,453
Total revenue and other income			<u>8,578,419</u>
Revenue from contracts with customers by timing of revenue recognition under AASB 15			
Revenue recognised over time			6,209,270
Revenue recognised at a point in time			<u>1,212,500</u>
Total revenue recognised under AASB 15			<u>7,421,770</u>

Disaggregation of revenue – For the year ended 30 June 2021

Revenue for the above income streams are recognised in accordance with AASB 15 or AASB 1058 as follows:

	AASB 1058	AASB 15	2021 Total
	\$	\$	\$
Government grants - programs	10,072,040	6,680,130	16,752,170
AAT Consortium income	-	187,560	187,560
Members' subscriptions	327,507	-	327,507
Other income	640,000	-	640,000
Total	<u>11,039,547</u>	<u>6,867,690</u>	<u>17,907,237</u>
Interest revenue – total all accounts			64,155
Total revenue and other income			<u>17,971,932</u>

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

3. Revenue and other income (continued)

Disaggregation of revenue – For the year ended 30 June 2021 (continued)

Revenue from contracts with customers by timing of revenue recognition under AASB 15

Revenue recognised over time	6,669,937
Revenue recognised at a point in time	197,753
Total revenue recognised under AASB 15	<u>6,867,690</u>

4. Expenses

The result for the year includes the following specific expenses:

Legal expenses	36,141	21,523
Audit expenses	22,500	16,190
Superannuation expenses	104,613	107,280

5. Cash and Cash Equivalents

Cash on hand	544	544
Cash at bank – General accounts	1,272,689	1,116,564
Cash at bank – AAT Consortium	4,379,586	4,087,088
Cash at bank – Grant accounts	5,932,909	16,856,036
Term deposits – Grant accounts	3,200,000	200,000
	<u>14,785,728</u>	<u>22,260,232</u>

6. Trade and Other Receivables

Trade debtors	5,290	-
	<u>5,290</u>	<u>-</u>

7. Other Assets

Prepaid expenses	70,620	58,869
	<u>70,620</u>	<u>58,869</u>

8. Plant and Equipment

Office Furniture and Equipment

At cost	42,432	44,853
Less accumulated depreciation	(34,795)	(33,616)
Total Office Furniture and Equipment	<u>7,637</u>	<u>11,237</u>

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

8. Plant and Equipment (continued)

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 30 June 2020	15,560	15,560
Additions	1,036	1,036
Disposals	-	-
Depreciation expense	(5,359)	(5,359)
Balance at 30 June 2021	11,237	11,237
Additions	-	-
Disposals	(100)	(100)
Depreciation expense	(3,500)	(3,500)
Balance at 30 June 2022	7,637	7,637
	2022	2021
	\$	\$
9. Other Financial Assets – non-current		
Shares in CTAO gGmbH	826	826
	826	826
10. Trade and Other Payables		
Trade creditors	1,148,360	8,318
Sundry payables and accrued expenses	618,088	204,511
Net GST Payable	28,449	831,193
Payable under AAT Consortium Agreement to ANU, refer note below	4,262,586	3,905,018
Deferred income under AAT Consortium Agreement	117,000	182,070
	6,174,483	5,131,110

Anglo-Australian Telescope Consortium - During the financial year, in accordance with the Anglo-Australian Telescope (AAT) Consortium Agreement executed on 20 June 2018, and the Variation Agreement dated 20 December 2021, Astronomy Australia Limited, as manager of that Consortium, invoiced the contributors for their funding contributions totalling \$2,830,000 plus GST (2021: \$3,175,000 plus GST). 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.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

11. Employee Benefits – Current

Provision for annual leave	67,062	99,584
Provision for long service leave	15,725	34,785
	<u>82,787</u>	<u>134,369</u>

12. Contract Liabilities

NCRIS 2018 - 2023 Grant	2,179,407	7,045,785
ARDC NCRIS 2021 Grant	33,750	-
NFACR (DFAT) 2020 Grant *	138,156	200,000
ACAMAR DISR 2018 Grant	26,119	27,798
ACAMAR DISR 2019 Grant	60,000	60,000
ACAMAR DISR 2020 Grant	30,000	54,480
ACAMAR DISR 2021 Grant	60,000	-
	<u>2,527,432</u>	<u>7,388,423</u>

* NFACR (DFAT) – Grant received from the Department of Foreign Affairs and Trade (DFAT) through the National Foundation for Australia-China Relations (NFACR).

Movement in Deferred Grants	NCRIS 2018 - 2023	DISR 2018 - 2022	NFACR (DFAT)
	\$	\$	\$
2021			
Opening Balance 1 July 2020	2,885,001	10,193	-
Grant receipts	10,825,560	-	200,000
Grant expenses	(6,664,776)	(10,193)	-
Closing Balance 30 June 2021	<u>7,045,785</u>	<u>-</u>	<u>200,000</u>
2022			
Grant receipts	2,084,844	-	-
Grant expenses	(6,951,222)	-	(61,844)
Closing Balance 30 June 2022	<u>2,179,407</u>	<u>-</u>	<u>138,156</u>

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

12. Contract Liabilities (continued)

	ARDC 2021	DISR ACAMAR 2018	DISR ACAMAR 2019
	\$	\$	\$
2021			
Opening Balance 1 July 2020	-	27,798	60,000
Grant receipts	-	-	-
Grant expenses	-	-	-
Closing Balance 30 June 2021	-	27,798	60,000
2022			
Grant receipts	233,865	-	-
Grant expenses	(200,115)	(1,679)	-
Closing Balance 30 June 2022	33,750	26,119	60,000

	DISR ACAMAR 2020	DISR ACAMAR 2021
	\$	\$
2021		
Opening Balance 1 July 2020	-	-
Grant receipts	60,000	-
Grant expenses	(5,160)	-
Closing Balance 30 June 2021	54,840	-
2022		
Grant receipts	-	60,000
Grant expenses	(24,840)	-
Closing Balance 30 June 2022	30,000	60,000

13. Employee Benefits – Non-Current

	2022	2021
	\$	\$
Provision for long service leave	22,737	23,412
	22,737	23,412

14. Reserves

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

14. Reserves (continued)

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.

The company did not draw a management fee from the Overseas Optical Reserve for the current financial year.

NCRIS Reserve

The company receives grant funds from the Department of Education under the funding agreement for the Astronomy National Collaborative Research Infrastructure Strategy (NCRIS) Project. The NCRIS Reserve was established in prior years and primarily represented interest earned on NCRIS funds held by the company, set aside from retained earnings, available to be used for NCRIS projects.

Following the adoption of the new revenue accounting standards, AASB 1058 and AASB 15, from 1 July 2019, revenue from some AAL/NCRIS projects has been recognised when it was received, whilst the expenditure related to these projects will only be recognised when incurred, which may be in a subsequent financial year. Any such NCRIS project related revenue in retained earnings is now transferred to the NCRIS Reserve, along with the interest earnings, to fund expenditure on specific AAL/NCRIS projects in future periods.

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

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

	2022	2021
	\$	\$
Surplus/(deficit) for the year	(3,591,188)	3,816,546
Adjustments for non-cash flows:		
Depreciation	3,500	5,359
Profit and loss on sale of PPE	100	-
Changes in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(5,290)	246,553
(Increase)/decrease in other current assets	(11,751)	1,199
Increase/(decrease) in trade and other payables	1,043,374	1,825,450
Increase/(decrease) in current provisions	(51,582)	28,813
Increase/(decrease) in non-current provisions	(676)	11,393
Increase/(decrease) in contract liabilities	(4,860,991)	4,405,431
Net cash provided by/(used in) operating activities	<u>(7,474,504)</u>	<u>10,340,744</u>

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.

	2022	2021
	\$	\$
Total compensation	<u>256,576</u>	<u>292,917</u>

17. Auditors Remuneration

During the financial year the following fees were paid or payable for services provided by RSM Australia, the auditor of the company:

	2022	2021
	\$	\$
<i>Audit services - RSM Australia</i>		
Audit of the financial statements	22,500	16,190
Other services	8,000	-
	<u>30,500</u>	<u>16,190</u>

18. Commitments

Capital expenditure commitments as at 30 June 2022 - \$Nil (30 June 2021: \$Nil).

19. 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.

20. Economic Dependency

The company receives the majority of its grant funds from the Department of Education and the Department of Industry, Science and Resources (DISR) and is dependent on the continuation of these grant funds.

21. 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.

22. Events After the Reporting Period

No matters or circumstances have arisen since 30 June 2022 which 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.

23. 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 2022 the number of members was 15 (2021: 15).

ASTRONOMY AUSTRALIA LIMITED
ABN 19 124 973 584
DIRECTORS' DECLARATION

The directors of the company declare that in their opinion:

- the financial statements and notes comply with the *Australian Charities and Not-for-profits Commission Act 2012*;
- the financial statements and notes comply with Australian Accounting standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulations 2013*;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 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.

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



Prof. Naomi McClure-Griffiths
Director

Susan Weston
Director

Dated this 21st day of October 2022

RSM Australia Partners

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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 2022, the statement of profit and 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 registered entity has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the registered entity's financial position as at 30 June 2022 and of its financial performance and cash flows for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Simplified Disclosures under *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 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 registered 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 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.

Responsibilities of the Directors for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures under *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Australian Charities and Not-for-profits Commission Act 2012* 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.

Responsibilities of the Directors for the Financial Report (continued)

In preparing the financial report, the directors are responsible for assessing the ability of the registered entity 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 registered entity or to cease operations, or have 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.

**RSM AUSTRALIA PARTNERS****M PARAMESWARAN**

Partner

Dated: 21 October 2022

Melbourne, Victoria