

**Gemmological Association Of Australia (NSW
Division) Incorporated**

ABN47572818347

**Financial Statements
For the year ended 31 December 2023**

**Keddie & Associates
Certified Practising Accountants
Hope Cottage
14 Ross Street North Parramatta NSW 2151**

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Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347**Committee's Report****For the year ended 31 December 2023**

Your committee members submit the financial accounts of the Gemmological Association Of Australia (NSW Division) Incorporated for the financial year ended 31 December 2023.

Committee Members

The names of committee members at the date of this report are:

Bill Sechos
 Cheryl Murdoch
 Alan Vongsavanh
 Leo Hyde
 Lisa Doherty
 Lesley Mountford
 Ella Lam
 Michael Cox
 Deborah Hudson

Principal Activities

The principal activities of the association during the financial year were: Educating and updating members of the gem and jewellery industry and the general public, about all aspects of gemstones and their substitutes; Offering advanced and employment related education for the jewellery and allied trades and industries.

Significant Changes

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

Operating Result

The deficit from ordinary activities after providing for income tax amounted to

	Year ended	Year ended
	31 December 2023	31 December 2022
	\$	\$
	(12,454.85)	24,750.24

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347

Committee's Report

For the year ended 31 December 2023

Signed in accordance with a resolution of the Members of the Committee on:



Leo Hyde



Michael Cox

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Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347

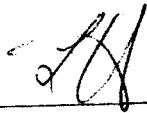
Certificate by Member of the Committee

For the year ended 31 December 2023

I, Leo Hyde and Michael Cox certify that:

- a. We attended the annual general meeting of the association held on . 25/3/24
- b. The financial statements for the year ended 31 December 2023 were submitted to the members of the association at its annual general meeting.

Dated



Leo Hyde
President



Michael Cox
Treasurer

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Compilation Report and Notes which form part of these financial statements.**

Gemmological Association Of Australia (NSW Division) Incorporated

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**Statement by Members of the Committee
For the year ended 31 December 2023**

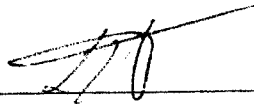
The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of Gemmological Association Of Australia (NSW Division) Incorporated as at 31 December 2023 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

The Committee is responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:



Leo Hyde
President



Michael Cox
Treasurer

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Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347
Profit and Loss Statement
For the year ended 31 December 2023

	2023 \$	2022 \$
Operating profit (deficit) before income tax	(12,454.85)	24,750.24
Income tax (credit) attributable to operating profit (loss)	0.00	0.00
Operating profit (deficit) after income tax	(12,454.85)	24,750.24
Retained profits at the beginning of the financial year	4,376,267.76	4,351,517.52
Total available for appropriation	4,363,812.91	4,376,267.76
Retained profits at the end of the financial year	4,363,812.91	4,376,267.76

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Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347
Income and Expenditure Statement
For the year ended 31 December 2023

	2023	2022
	\$	\$
Income		
GAA NSW course fees	67,372.27	33,322.61
Member subscriptions	57,261.72	57,706.28
Interest received	5,742.39	93.51
Other income	24,138.70	12,440.12
NSW COVID Grants	0.00	1,500.00
Forfeiture of Stone Deposits	0.00	2,400.00
Conference Income	73,673.58	0.00
Donations	0.00	55,035.00
RES & office rental	63,493.49	89,124.55
Total income	291,682.15	251,622.07
Expenses		
Accountancy	3,636.36	0.00
Course costs	21,869.33	10,752.98
Depreciation & amortisation expenses	34,951.00	30,880.00
Employee benefits & administration	98,332.87	82,697.54
Other expenses	14,064.13	18,567.13
Insurance	15,260.71	0.00
Legal fees	2,270.50	0.00
Property expenses	87,274.60	57,258.68
Sustenance	26,477.50	26,715.50
Total expenses	304,137.00	226,871.83
Profit (loss) from ordinary activities before income tax	(12,454.85)	24,750.24
Income tax revenue relating to ordinary activities	0.00	0.00
Net profit (loss) attributable to the association	(12,454.85)	24,750.24
Total changes in equity of the association	(12,454.85)	24,750.24
Opening retained profits	4,376,267.76	4,351,517.52
Net profit (loss) attributable to the association	(12,454.85)	24,750.24
Closing retained profits	4,363,812.91	4,376,267.76

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347**Balance Sheet as at 31 December 2023**

	Note	2023 \$	2022 \$
Assets			
Current Assets			
Cash assets		253,341.05	268,099.54
Receivables		3,730.00	(82.50)
Current tax assets		246.76	54.93
Other		9,852.38	8,674.63
Total Current Assets		267,170.19	276,746.60
Non-Current Assets			
Property, plant and equipment		4,132,313.27	4,146,773.33
Total Non-Current Assets		4,132,313.27	4,146,773.33
Total Assets		4,399,483.46	4,423,519.93
Liabilities			
Current Liabilities			
Payables		4,008.80	18,940.91
Current tax liabilities		3,025.33	5,611.20
Other		28,636.42	22,700.06
Total Current Liabilities		35,670.55	47,252.17
Total Liabilities		35,670.55	47,252.17
Net Assets		4,363,812.91	4,376,267.76
Members' Funds			
Retained profits		4,363,812.91	4,376,267.76
Total Members' Funds		4,363,812.91	4,376,267.76

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347

Notes to the Financial Statements

For the year ended 31 December 2023

Note 1: Summary of Significant Accounting Policies

Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act of New South Wales. In the opinion of the committee the association is not a reporting entity because it is not reasonable to expect the existence of users who rely on the association's general purpose financial statements for information useful to them for making and evaluating decisions about the allocation of resources.

The financial report has been prepared in accordance with the Associations Incorporations Act of New South Wales, the basis of accounting specified by all Australian Accounting Standards and Interpretations, and the disclosure requirements of Accounting Standards AASB 101: Presentation of Financial Statements, AASB 107: Cash Flow Statements, AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors, AASB 1031: Materiality and AASB 1054: Australian Additional Disclosures.

The association has concluded that the requirements set out in AASB 10 and AASB 128 are not applicable as the initial assessment on its interests in other entities indicated that it does not have any subsidiaries, associates or joint ventures. Hence, the financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

The association has not assessed whether these special purpose financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards.

The financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(a) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred income tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

These notes should be read in conjunction with the attached financial statements and compilation report of Keddle & Associates.

Gemmological Association Of Australia (NSW Division) Incorporated

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Notes to the Financial Statements

For the year ended 31 December 2023

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be used.

(b) Accounts Receivables and Other Debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(c) Property, Plant and Equipment (PPE)

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all PPE is depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(d) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(f) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

The association has applied AASB 15: Revenue from Contracts with Customers (AASB 15) and AASB 1058: Income of Not-for-Profit Entities (AASB 1058) using the cumulative effective method of initially applying AASB 15 and AASB 1058 as an adjustment to the opening balance of equity at 1 July 2019. Therefore, the comparative information has not been restated and continues to be presented under AASB 118: Revenue and AASB 1004: Contributions.

In the current year

Contributed Assets

The association receives assets from the government and other parties for nil or nominal consideration in order to further its objectives. These assets are recognised in accordance with the recognition requirements of other applicable accounting standards (eg. AASB 9, AASB 16, AASB 116 and AASB 138).

On initial recognition of an asset, the association recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer).

These notes should be read in conjunction with the attached financial statements and compilation report of Keddie & Associates.

Gemmological Association Of Australia (NSW Division) Incorporated

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Notes to the Financial Statements

For the year ended 31 December 2023

The association recognises income immediately in profit or loss as the difference between initial carrying amount of the asset and the related amount.

Operating Grants, Donations and Bequests

When the association receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the association:

- identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the association:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (eg. AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the association recognises income in profit or loss when or as it satisfies its obligations under the contract.

Capital Grant

When the association receives a capital grant, it recognises a liability for the excess of the initial carrying amount of the financial asset received over any related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer) recognised under other Australian Accounting Standards.

The association recognises income in profit or loss when or as the association satisfies its obligations under the terms of the grant.

Interest Income

Interest revenue is recognised using the effective interest rate method.

Dividend Income

The association recognises dividends in profit or loss only when the right to receive payment of the dividend is established.

Income from Sale of Goods

The association publishes and sells books and magazines publications to the general public. Revenue is recognised when control of the products has transferred to the customer. For such transactions, this is when the products are delivered to the customers. Volume discounts could be provided with the sale of these items, depending on the volume of aggregate sales made to eligible customers over every six-month period. Revenue from these sales is based on the price stipulated in the contract, net of the estimated volume discounts. The volume discounts are estimated using historical experience and applying the expected value method. Revenue is then only recognised to the extent that there is a high probability that a significant reversal of revenue will not occur. Where there is expected volume discounts payable to the customers for sales made until the end of the reporting period, a contract liability is recognised.

These notes should be read in conjunction with the attached financial statements and compilation report of Keddie & Associates.

Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347

Notes to the Financial Statements

For the year ended 31 December 2023

A receivable will be recognised when the goods are delivered. The association's right to consideration is deemed unconditional at this time as only the passage of time is required before payment of that consideration is due. There is no significant financing component because sales (which include those with volume discounts) are made within a credit term of 30 to 45 days.

Customers have a right to return products within 60 days as stipulated in the current contract terms. At the point of sale, a refund liability is recognised based on an estimate of the products expected to be returned, with a corresponding adjustment to revenue for these products.

Consistent with the recognition of the refund liability, the association further has a right to recover the product when customers exercise their right of return so consequently the company recognises a right to returned goods asset and a corresponding adjustment is made to cost of sales.

Historical experience of product returns is used to estimate of the number of returns on a portfolio level, using the expected value method. It is considered highly probable that significant reversal in the cumulative revenue will not occur given the consistency in the rate of return presented in the historical information.

All revenue is stated net of the amount of goods and services tax (GST).

In the comparative period

Non-reciprocal grant revenue was recognised in profit or loss when the association obtained control of the grant and it was probable that the economic benefits gained from the grant would flow to the entity and the amount of the grant could be measured reliably.

If conditions were attached to the grant which must be satisfied before the association was eligible to receive the contribution, the recognition of the grant as revenue was deferred until those conditions were satisfied.

When grant revenue was received whereby the association incurred an obligation to deliver economic value directly back to the contributor, this was considered a reciprocal transaction and the grant revenue was recognised in the statement of financial position as a liability until the service had been delivered to the contributor; otherwise the grant was recognised as income on receipt.

The association received non-reciprocal contributions of assets from the government and other parties for no or nominal value.

These assets were recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests were recognised as revenue when received.

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

Dividend revenue was recognised when the right to receive a dividend had been established.

Rental income from operating leases was recognised on a straight-line basis over the term of the relevant leases.

Revenue from the rendering of a service was recognised upon the delivery of the service to the customer.

Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347

Notes to the Financial Statements

For the year ended 31 December 2023

(g) Leases

The association as lessee

At inception of a contract, the association assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the association where the association is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the association uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date
- the amount expected to be payable by the lessee under residual value guarantees
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options
- lease payments under extension options if lessee is reasonably certain to exercise the options and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the association anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Concessionary Leases

For leases that have significantly below-market terms and conditions principally to enable the association to further its objectives (commonly known as peppercorn/concessionary leases), the association has adopted the temporary relief under AASB 2018-8 and measures the right of use assets at cost on initial recognition.

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). 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 ATO is included with other receivables or payables in the assets and liabilities statement.

Gemmological Association Of Australia (NSW Division) Incorporated

ABN 47 572 818 347

Notes to the Financial Statements

For the year ended 31 December 2023

(i) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
THE GEMMOLOGICAL ASSOCIATION OF AUSTRALIA (NEW SOUTH WALES
DIVISION) INCORPORATED – Y1133701**

INDEPENDENT AUDIT REPORT

Scope

I have audited the financial report of The Gemmological Association of Australia NSW for the year ended 31 December 2023. The Committee members are responsible for the financial report. I have conducted an independent audit of the financial report in order to express an opinion on it to the members only.

My audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia so as to present a view which is consistent with my understanding of The Gemmological Association of Australia NSW financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Emphasis of Matter

The only matter I bring emphasis to is the issues regarding pre-paid debit cards. While there is no audit concern in regards to having pre-paid debit cards, the issues arise when these fail and in turn reimbursements have to take place. The greater number of reimbursements the higher the audit risk. During future audits I would expect to see these reimbursement numbers decrease.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia the financial position of The Gemmological Association of Australia NSW as at 31 December 2023 and the results of its operations and its cash flows for the year then ended.

Dated this Twenty-Seventh Day of February 2024

Yours faithfully



David M. Keddie

Fellow Certified Practising Accountant