

**AUSTRALIA INDIA BUSINESS COUNCIL LTD
(A COMPANY LIMITED BY GUARANTEE)
ACN 154 498 218**

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

**AUSTRALIA INDIA BUSINESS COUNCIL LTD
ACN 154 498 218**

ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2015**

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This financial report covers Australia India Business Council Ltd as an individual entity.

Australia India Business Council Ltd is a company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Eakin McCaffery Cox
Level 28, 1 Market Street
SYDNEY NSW 2000

A description of the nature of the company's operations and its principal activities is included in the directors' report on page 1.

The financial statements were authorised by the board of directors on 21 July 2016. The directors have the power to amend and reissue the financial statements.

AUSTRALIA INDIA BUSINESS COUNCIL LTD
ACN 154 498 218

DIRECTORS' REPORT

The directors present their report on Australia India Business Council Ltd ("the company") for the financial year ended 31 December 2015.

DIRECTORS

The following persons were directors and officers of the company at any time during, or since the end of the year. Unless otherwise stated, the Director was in office for the whole of the financial year and up to the date of this report:

Name	Meetings of Board of Directors eligible to attend during financial year	Number of meetings of Board of Directors attended
Sheba Nandkeolyar	5	5
Jim Varghese (Appointed 8 July 2016)	-	-
Con Livissianis	5	5
Deepak-Raj Gupta	5	3
Randeep Agarwal	5	3
Dr Adrian Vicary	5	3
Omesh Motiwalla	5	-
Raja Venkateswar (Appointed 26 May 2015)	3	3
Stephen Manallack (Appointed 14 July 2016)	-	-
Dipen Rughani (Resigned 22 June 2016)	5	5
Arun Sharma (Resigned 1 July 2015)	2	2
John Cox (Resigned 26 May 2015)	2	2

DIRECTORS QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES

Sheba Nandkeolyar - Chairman (Independent Non-Executive Director).

Ms Nandkeolyar is a long standing member of AIBC since the past 16 years. She joined the Board in 2012 and was appointed Chairman in June 2016. Ms Nandkeolyar, is a Master of Business Administration (MBA) and has specialised in Marketing & Finance. She was recently appointed on the Board of Australia India Council, by The Hon. Foreign Minister Julie Bishop and was tasked with responsibilities for supporting economic diplomacy and Women in Business initiatives. She has extensive global, Indian and Australian experience as a leading expert in the areas of International Trade, Marketing to new audiences, Cross Border & Offshore consultancy. She is an advisor to the Australian Government and business organisations in Australia & India. Sheba is also an advisor to several start up Australian & Indian companies. Sheba has founded her company MultiConnexions in 2006, which today is a leading company in its industry. Sheba was awarded the 2015 Life Time Achievement Award for Excellence in Global Communications by the peak industry advertising body International Advertising Association in London. She is a visiting industry faculty member at several Business Schools and Universities. Sheba actively supports the Salvation Army Australia and The Follow Your Dream Foundation, Lions International in implementing several Women & Children focussed initiatives in Australia, India & China.

Board positions:

- Chairman, Australia India Business Council
- Board Member, AIC- Australia India Council.
- Board Member of IAA (International Advertising Association, Australia)
- Trustee & Board member of Follow your Dream Foundation, Lions International
- Chief Executive Officer / Director, MultiConnexions

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DIRECTORS' REPORT (continued)

DIRECTORS QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES (continued)

Sheba Nandkeolyar - Chairman (Independent Non-Executive Director) (continued)

Industry Expertise:

- Expert Advisory Panel member for Diversity Council of Australia on the following research projects:
 - Leading in the Asian Century: A National Scorecard of Australia's Workforce Asia Capability, 2015
 - Cracking the Cultural Ceiling; Future Proofing your business in the Asian Century, 2014
 - Capitalising on Culture: A Study of the Cultural Origins of ASX 200 Business Leaders, 2013
- Member on Tourism and International Education, Task Force, NSW Government
- Founding Chair of the Multicultural Committee of Communications Council of Australia
- Founding Chair of Women in Business Chapter, AIBC
- Former member of NSW Asia Business Advisory Council

Jim Varghese AM – Vice Chairman (Independent Non-Executive Director)

Jim Varghese was awarded the Centenary Medal and the Order of Australia for services to the public sector and community. Mr Varghese is the part-time Executive Director, (Business development) for the Australia India Institute. He is also currently Executive Director of the Springfield Corporation and was the Chief Executive from 2008 – 2012.

Mr Varghese has a Bachelor of Arts (with honours) and Bachelor of Divinity from the University of Queensland. He holds a Master of Business Administration and a Diploma in Education from the University of Melbourne. Mr Varghese has been granted the award of Fellow of these professional organisations: Certified Practising Accountant (CPA), Australian Institute of Management, Royal Institute of Public Administration and Australian Marketing Institute. He is a member of the Australian Institute of Company Directors.

Mr Varghese is an accomplished author and contributor of articles on crisis management, change and organisational transformation

Board Positions:

- Part-Time Executive Director, (Business development) for the Australia India Institute
- Executive Director, Springfield Land Corporation
- Board Member, EIDOS
- Deputy Chair, Puuya Foundation (serving the indigenous community of Lockhart River in North Queensland)
- Director, Qld Mental Health Foundation
- Co-Patron, Federation of Indian Communities
- Chairman, Mahatma Gandhi Memorials Committee (Qld)

Industry Expertise:

- Chief Executive, Springfield Land Corporation
- Chief Executive, Transport, Main Roads, Education, Training, Employment and Primary Industries in both the Victorian and Queensland public sector
- Adjunct Professor at the University of Queensland
- Council of Queensland University of Technology
- Senate of University of Queensland
- Council of the University of Southern Queensland (current)
- Chairman, Review of the personalised transport industry in Queensland

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DIRECTORS' REPORT (continued)

DIRECTORS QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES (continued)

Con Livissianis - Treasurer (Independent Non-Executive Director).

Mr Livissianis has extensive experience in corporate governance, strategic planning, change management and accounting. He also has broad experience across the agricultural, mining, import wholesale distribution, construction, property development, telecommunications, education and manufacturing sectors and in business expansion in Asia. Mr Livissianis is the Managing Director of Exemplar Performance Advantage Pty Ltd, Chairman of CPA Australia's Director Discussion Group and Chairman of the Greek Orthodox Parish of South East Sydney. Mr Livissianis has a Bachelor of Commerce degree in Accounting & Financial Management and is a Fellow of both CPA Australia and the Australia Institute of Company Directors. Mr Livissianis is also the Chairman of the Audit, Finance & Risk Committee.

Mr Livissianis has travelled 16 times in the past 6 years to India and established an office in Bangalore India that focuses on Global Good Governance and Innovation.

Deepak-Raj Gupta - Independent Non-Executive Director

Mr Gupta is the President of the ACT Chapter. Mr Gupta has significant experience in both the private and public sector especially working with commonwealth agencies. Deepak is originally from India and has been living in Australia for the past 28 years. Deepak achieved his Bachelors from India and Grad Dip in Information Technology from Australia.

Mr Gupta is involved in the ACT community for the past 14 years in different capacities. Deepak's contribution to the ACT multicultural community and the business community has been noteworthy. Deepak's vision in promoting the multiculturalism has been significant. It was Deepak's initiative that saw a huge lift in the profile of the Indian community in Canberra and its surrounding areas. The Business event organised by Deepak has been of a very high standard, which usually attracts a quality gathering from both the Government and Business community.

Mr Gupta on numerous occasions has extended his assistance and help to the government-initiated programs, including economic environment and trade/economic policies/investment climate and on the new skill migration program by the government.

Deepak has been a member of Australia India Business Council (AIBC) for the past seven years. Deepak is one of the longest serving members of the AIBC National Board and as president of ACT Chapter has contributed significantly to AIBC's vision and its objectives in the ACT region.

Mr Gupta has led many business delegations to promote ACT and its products to the Indian market. Deepak was instrumental in organising the first visit by any ACT Chief Minister to India, led by former ACT Chief Minister Mr Jon Stanhope.

Another significant contribution is creating the "India in The City" segment in the National Multicultural Festival (NMF) showcasing India's vast cultural diversity and different cuisine from across India. The Indian segment is now one of the signature events in the NMF. Deepak has ensured that the standard and quality of this festival is of the highest standard. Deepak has been awarded the ACT Multicultural Advocate of the year.

Randeep Agarwal - Independent Non-Executive Director

Mr Agarwal is the President of the Queensland Chapter and joined the Board in January 2012. Mr Agarwal has more than 20 years experience in LNG/Gas industry, working with Woodside Energy, Shell and Origin Energy. Currently based and working in Brisbane.

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DIRECTORS' REPORT (continued)

DIRECTORS QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES (continued)

Randeep Agarwal - Independent Non-Executive Director

Mr Agarwal is the President of the Queensland Chapter and joined the Board in January 2012. Mr Agarwal has more than 20 years experience in LNG/Gas industry, working with Woodside Energy, Shell and Origin Energy. Currently based and working in Brisbane.

Dr Adrian Vicary - Independent Non-Executive Director

Dr Vicary is the President of the South Australian Chapter and joined the Board in November 2012.

Dr Vicary has extensive experience in university senior management and governance, quality assurance and strategic planning in university and not for profit organisations, and in managing partnerships. He is an Adjunct Associate Professor at the University of South Australia, an Emeritus Fellow of the Association of Tertiary Education Management Inc, and a member of the Australian Institute of Company Directors. Dr Vicary is a member of the South Australia India Advisory Council. He is also a member of the Board of the Nexus Multicultural Arts Centre in Adelaide.

Dr Vicary has a Bachelor of Arts, a Diploma in Education and a Master of Arts from the University of Adelaide, and a PhD from Flinders University of South Australia.

Omesh Motiwalla - Independent Non-Executive Director

Mr Motiwalla is the President of the Western Australia Chapter. Appointed 1 April 2014.

Mr Motiwalla is a Corporate Finance Partner in Deloitte Touche Tohmatsu and has over 15 years of experience in Big 4 firms in Australia. Mr Motiwalla has significant cross border experience and focuses on providing financial advisory and due diligence advice in relation to investments in major Australian resources companies and projects, as well as the middle market sector. Mr Motiwalla also spent two years with Deloitte Corporate Finance India from 2008 to 2010 where he worked largely on mining, oil and gas and infrastructure transactions. Mr Motiwalla has a Bachelor of Commerce degree in Finance and Accounting and is a Chartered Accountant.

Raja Venkateswar - Independent Non-Executive Director

Mr Venkateswar is the President of the New South Wales Chapter. Appointed 26 May 2015.

Mr Venkateswar is global management and technology leader with over 20 years of experience in building and leading teams, firms and competencies across several geographies and cultures. He has been an AIBC member for 6 years. His qualifications include Engineering (IIT), Advanced Management Program (IE Business School, Madrid), Global Strategic Management (Booth School of Business, Chicago University) and Part-time Research Scholar (University of Sydney). His current position is the Finance Director at ONGC – Program Director (QBE).

Mr Venkateswar has had a diverse career having worked with leading financial services institutions, global consulting firms, service providers, and as the founder/CTO of successful start-up firms. He has published over 50 white & thought papers, has served on the regional advisory board at IAOP (International Association of Outsourcing Professionals), has been nominated & voted as a thought leader at IQPC-SSON (World's largest forum for Shared services), was recognized as Australian IT Professional of the year, 2013 by an independent body and was a judge of the Student Innovation awards, 2013. Mr Venkateswar serves as an AIBC Board member and is on the Advisory Board on several start up IT firms.

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DIRECTORS' REPORT (continued)

DIRECTORS QUALIFICATIONS, EXPERIENCE AND SPECIAL RESPONSIBILITIES (continued)

Stephen Manallack – Independent Non-Executive Director

Mr Manallack is the President of the Victoria Chapter. Appointed 14 July 2016.

Stephen Manallack is a Director of the India advisory firm EastWest Academy Pty Ltd. He has been active in the India market since 2002 – firstly as a commentator on India's biggest business website, then as an author and he has led three major trade missions to India (including one with the Australian Trade Minister) and has taken investors and businesses there on ten occasions. He has provided cross-cultural training in Australia and India.

He writes an occasional blog for Australia India Institute. He has served on the Judging Panel for the Annual Business Awards of the Indian Executive Club in Melbourne. Stephen's first book, *You Can Communicate*, was published by Pearson Education in 2002. His second, *Riding the Elephant – Doing Business and Making Profits in Modern India* Melbourne Books in 2010. His third book was *Soft Skills for a Flat World* published by Tata McGraw-Hill India in December 2012 - providing insights into the "10 mindsets" of Indian business. His fourth, *Communicating Your Personal Brand* was published by Vivid in 2016.

Dipen Rughani – Immediate Past Chairman (Independent Non-Executive Director).

Mr Rughani resigned as the Chairman and Director on 22 June 2016. Mr Rughani has over 25 years of experience in business, his specialty and focus has been on International Trade & Investment with exposure in Education, ICT, Consumer Goods (FMCG), Pharmaceuticals, Agriculture, Mining & Resources and Property Development.

Arun Sharma - Independent Non-Executive Director

Mr Sharma resigned 1 July 2015.

John Cox - Company Secretary

Mr Cox resigned as the President of the NSW Chapter and Director of the Company on 26 May 2015. Mr Cox has acted as Company Secretary of AIBC Limited since the formation of the Company in January, 2012. As a senior partner in the Sydney law firm, Eakin McCaffery Cox, Mr Cox has extensive experience in corporate and commercial law, and has acted as company secretary for a number of charitable institutions.

AUSTRALIA INDIA BUSINESS COUNCIL LTD
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DIRECTORS' REPORT (continued)

OBJECTIVE AND STRATEGIES

(a) Short Term Objectives

The Company's short-term objectives are to:

1. Encourage Australian businesses to build successful trade with Indian companies
2. Encourage Indian businesses to develop successful trade with Australian companies
3. Organise activities which promote Australia/India business relationships and understanding

(b) Long Term Objectives

The Company's long-term objectives are to:

1. Promote trade between Australia and India.
2. Promote understanding and cooperation between the business communities of Australia and India.
3. Contribute to the development of bilateral business policies and relationships between Australia and India.
4. Attract staff, contractors and volunteers who are committed to working for the promotion of trade between Australia and India.
5. Delivery of events, trade connections, business services and programs to promote cooperation and business relationships between the business communities of Australia and India.
6. Increasing the understanding and visibility in the community of the Australia/India trading relationship.
7. Long term financial sustainability.

(c) Strategies for Achieving Short Term and Long Term Objectives

To achieve these objectives, the Company has adopted the following strategies:

1. Attract and retain staff and volunteers who are committed to working for the members and the community.
2. Committed staff and volunteers will create new programs and maintain existing programs which will allow them to engage in continuous improvement for services and facilities.

Staff and volunteers strive to meet consistent standards of best practice and provide clear expectations of professional accountabilities to all stakeholders.

DIRECTORS' REPORT (continued)

PRINCIPAL ACTIVITIES OF THE COMPANY AND HOW ASSISTED IN ACHIEVING THE COMPANY'S OBJECTIVES

The principal activities of the Company in the course of the financial year were those of a national based membership organisation that promotes trade between Australia and India. There has been no significant change in these activities during the year.

PERFORMANCE MEASURES

The company uses the following measures of its performance:

- Number of new members and % increase over previous year.
- Number of retained members and % increase over previous year.
- Number of total members and % increase over previous year.
- Number of events totally sponsored which required no financial input and % increase over previous year.
- National sponsorship revenue raised and % increase over the previous year.
- State sponsorship revenue raised and % increase over the previous year.

REVIEW OF OPERATIONS

The operations of the company during the financial year resulted in a loss after providing for income tax of \$205,566 (2014: loss of \$24,156).

EVENTS SUBSEQUENT TO BALANCE DATE

Subsequent to balance date, legal proceedings in the Victorian Supreme Court between the company and some former members of the company were dismissed by the Court and costs awarded in favour of the company. In May 2016 a deed of settlement was signed by the former members and the company and the matter is now resolved. Under the settlement terms, the company has received a settlement sum for partial re-imbursment of legal expenses incurred for the legal proceedings.

No other matter or circumstance has arisen since the end of the financial year 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 financial years after the financial year.

MEMBERSHIP

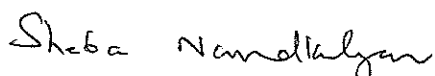
The company had 332 members at year end (2014: 433).

On a winding up of the company members would not be required to contribute.

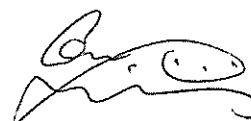
AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under Section 307C of the *Corporations Act 2001* given to the Directors by the lead auditor for the audit undertaken by HLB Mann Judd is included on page 8.

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



Sheba Nandkeolyar
Chairman



Con Livissianis
National Treasurer

22 July 2016

**AUSTRALIA INDIA BUSINESS COUNCIL LTD
ACN 154 498 218**

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Australia India Business Council Ltd:

As lead auditor for the audit of the financial report of Australia India Business Council Ltd for the year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.



**Sydney, NSW
22 July 2016**

**A G Smith
Partner**

AUSTRALIA INDIA BUSINESS COUNCIL LTD
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 \$	2014 \$
Revenue from continuing operations	2	309,558	375,192
Audit fees		(18,017)	(16,850)
Accounting fees		-	(4,000)
Bank charges, credit card fees & merchant fees		(6,986)	(7,001)
Event conduct venue expenses		(147,150)	(154,272)
Legal fees		(79,550)	(30,075)
Outside service providers fees		(8,656)	(30,904)
Telephone expenses		(1,781)	(2,474)
Printing & stationery expenses		(3,078)	(2,487)
Secretariat fees & office rent expenses		(90,512)	(80,211)
Sponsorship expenses		(126)	(108)
Taxi expenses		(6,976)	(7,307)
Travel & accommodation expenses		(71,588)	(37,033)
Website development expenses		(13,142)	(4,090)
CEO expenses		(43,000)	-
Other expenses		(24,562)	(22,536)
		<hr/>	<hr/>
Loss before income tax		(205,566)	(24,156)
Income tax benefit	8(b)	-	-
		<hr/>	<hr/>
Loss after income tax		(205,566)	(24,156)
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive loss for the year		(205,566)	(24,156)
		<hr/> <hr/>	<hr/> <hr/>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

AUSTRALIA INDIA BUSINESS COUNCIL LTD
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STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Note	2015 \$	2014 \$
Current assets			
Cash and cash equivalents	3	74,924	167,731
Trade and other receivables	4	23,641	16,646
Other financial assets	5	514,230	666,122
Other assets		-	11,135
		<u>612,795</u>	<u>861,634</u>
Total current assets			
Non-current assets			
Property, plant and equipment		1,139	-
		<u>1,139</u>	<u>-</u>
Total non-current assets			
		<u>613,934</u>	<u>861,634</u>
Total assets			
Current liabilities			
Trade and other payables	6	65,667	71,877
Other liabilities	7	68,697	104,621
		<u>134,364</u>	<u>176,498</u>
Total current liabilities			
		<u>134,364</u>	<u>176,498</u>
Total liabilities			
		<u>479,570</u>	<u>685,136</u>
Net assets			
		<u>479,570</u>	<u>685,136</u>
Equity			
Retained earnings		479,570	685,136
		<u>479,570</u>	<u>685,136</u>
Total equity			
		<u>479,570</u>	<u>685,136</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

AUSTRALIA INDIA BUSINESS COUNCIL LTD
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Retained Earnings \$
Balance at 1 January 2014	709,292
Total comprehensive loss for the year	<u>(24,156)</u>
Balance at 31 December 2014	<u>685,136</u>
Balance at 1 January 2015	685,136
Total comprehensive loss for the year	<u>(205,566)</u>
Balance at 31 December 2015	<u>479,570</u>

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

AUSTRALIA INDIA BUSINESS COUNCIL LTD
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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 \$	2014 \$
Cash flows from operating activities			
Receipts from members and customers		278,781	410,098
Interest received – cash at bank		20,591	43,833
Payments to suppliers		<u>(542,932)</u>	<u>(401,934)</u>
Net cash used in operating activities		<u>(243,560)</u>	<u>51,997</u>
Cash flows from investing activities			
Payments for property , plant and equipment		(1,139)	-
Transfer of funds from term deposit		<u>151,892</u>	<u>1,561</u>
Net cash used in investing activities		<u>150,753</u>	<u>1,561</u>
Net (decrease) increase in cash held		(92,807)	53,558
Cash and cash equivalents at beginning of year		<u>167,731</u>	<u>114,173</u>
Cash and cash equivalents at end of year	3	<u>74,924</u>	<u>167,731</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

AUSTRALIA INDIA BUSINESS COUNCIL LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This financial report covers Australia India Business Council Ltd (“the Company”) as an individual entity. The financial report is a general purpose financial report, which has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, Australian Accounting Interpretations and the Corporations Act 2001. The financial report is prepared on a historical cost basis.

The preparation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements requires Directors and/or management to make judgements, estimates and assumptions that affect the application of policies on reported assets and liabilities, income and expenses. There are no areas where assumptions and estimates are significant to the financial statements.

The significant accounting policies set out below have been applied consistently to all periods presented in this financial report.

Comparative figures have been restated where necessary to enhance presentation of the financial report.

The following is a summary of the significant accounting policies adopted by the company in the preparation of the accounts:

(a) Statement of compliance with Australian Accounting Standards – Reduced Disclosure Requirements

Statement of Compliance

The financial report complies with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board. A statement of compliance with International Financial Reporting Standards cannot be made because of the adoption of Australian Accounting Standards – Reduced Disclosure Requirements.

(b) Cash & cash equivalents and other financial assets

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions with original maturities of less than three months. Other financial assets consist of bank term deposits with an original maturity greater than three months.

(c) Trade and other receivables

All trade receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition. After initial recognition trade receivables are subsequently measured at amortised cost, less allowance for impairment.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised where some doubt as to collection exists.

(d) Impairment of assets

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. The recoverable amount is the value in use of the asset. As the company is a not-for-profit entity the future economic benefits of an asset are not primarily dependent on the asset’s ability to generate net cash inflows. Therefore the value in use is the depreciated replacement cost of the asset.

AUSTRALIA INDIA BUSINESS COUNCIL LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Trade and other payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts disclosed are usually paid within 30 days of recognition.

(f) Income tax

Income tax expense is calculated by applying the current income tax rate to the estimated taxable income for the year. The Company's taxable income is calculated by applying an estimated non-member percentage to mutual income and then adjusting for fully assessable and fully deductible items.

(g) Revenue recognition

(i) Membership revenue

Membership revenue is recorded in the period of which it relates. Any membership fees received in advance are taken to deferred revenue until the period for which the membership relates has occurred.

(ii) Sponsorship revenue

Sponsorship revenue is recognised in the period of which it relates. Any sponsorship revenue received in advance is taken to deferred revenue until the period for which the sponsorship relates has occurred.

(iii) Interest revenue

Interest revenue is recognised as earned.

(iv) Event revenue

Event revenue is recognised once the respective event has occurred. Any event revenue received in advance is taken to deferred revenue until the period during which the event occurs.

(v) Other revenue

Revenue from other sources is recognised when the respective services have been performed.

(h) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis.

AUSTRALIA INDIA BUSINESS COUNCIL LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
2. REVENUE		
Revenue from continuing operations		
- Membership fee revenue	121,407	127,979
- Event revenue	111,287	117,157
- Sponsorship revenue	53,818	102,418
- Sundry revenue	2,680	150
- Interest revenue	20,366	27,488
	<u>309,558</u>	<u>375,192</u>
3. CASH AND CASH EQUIVALENTS		
Current		
Cash at bank – National	11,400	47,073
Cash at bank – NSW	16,995	31,390
Cash at bank – ACT	27,495	42,225
Cash at bank – VIC	-	7,476
Cash at bank – QLD	12,245	31,254
Cash at bank – SA	2,114	2,930
Cash at bank – WA	4,675	5,166
Cash at bank – Other	-	217
	<u>74,924</u>	<u>167,731</u>
4. TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	15,390	16,180
Interest receivable	241	466
Other receivables	8,010	-
	<u>23,641</u>	<u>16,646</u>
5. OTHER FINANCIAL ASSETS		
Current		
Term deposit	<u>514,230</u>	<u>666,122</u>
Term deposit is bearing a fixed interest rate of 3.05% (2014: 3.65%)		
6. TRADE AND OTHER PAYABLES		
Current		
Trade payables	48,667	51,294
Other accruals	17,000	20,583
	<u>65,667</u>	<u>71,877</u>

AUSTRALIA INDIA BUSINESS COUNCIL LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
7. OTHER LIABILITIES		
Current		
Deferred membership revenue	48,697	72,573
Deferred sponsorship revenue	20,000	20,000
Deferred event revenue	-	12,048
	68,697	104,621

8. INCOME TAX

(a) Income tax expense

Income tax expense differs from the amount of income tax that would be payable by the Company if its taxable income for the year was equal to the profit for the year. The principal reason for this difference is that the Company is liable for income tax on the portion of its operating profit deemed to be attributable to non-members.

All of the income tax expense relates to current tax.

(b) Numerical reconciliation of income tax expense to prima facie tax payable

Profit (loss) before income tax expense	(205,566)	(24,156)
Tax @ the Australian tax rate of 30%	(61,670)	(7,247)
Impact of non-member revenue and expenses which are accessible	47,978	8,753
Deferred tax assets not recognised	13,692	-
Other	-	(1,506)
Income tax expense (credit)	-	-

9. LIMITATION BY GUARANTEE

Australia India Business Council Ltd is a company limited by guarantee. The company's constitution provides that every member of the company does not need to contribute an amount in the event of the company being wound up during the time of membership or within one year afterwards.

At 31 December 2015 there were 332 members (2014: 433 members) and the amount that could be called up in the event of, and for the purpose of, a winding up was \$nil (2014: \$nil).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

10. RELATED PARTY DISCLOSURES

(a) Key management personnel

The names of the Directors in office during the year are listed in the Directors' report.

All Directors acted in an honorary capacity during the year.

The Directors and James Keene (Chief Executive Officer) are key management personnel.

Remuneration paid to key management personnel of the company during the year is as follows:

	2015	2014
	\$	\$
Key management personnel compensation	<u>43,000</u>	<u>-</u>

(b) Other Related Party Transactions

- (i) During the year the following amounts (GST inclusive) were paid to entities associated with Directors of the company:

Office rent and other reimbursed expenses	2,982	3,869
Accounting services	-	4,400
Legal services and other reimbursed expenses	46,606	36,649

- (ii) During the year the following amounts (GST inclusive) were received from entities associated with Directors of the company:

Membership fee revenue	715	550
Event revenue	1,925	1,925

- (iii) There were no balances owing by any related parties to the company at 31 December 2015 (2014 \$nil).
- (iv) An amount of \$5,500 was owing to a related party for website development costs by the company at 31 December 2015 (2014 \$30,314).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

11. SUBSEQUENT EVENTS

During the year, the prior year and subsequent to year end the company incurred legal expenses in relation to legal proceedings with former members of the company in the Victorian Supreme Court. The claim against the company by these former members was dismissed by the Court and costs awarded in favour of the company. In May 2016 a deed of settlement was signed by the former members and the company and the matter is now resolved. Under the settlement terms, the company has received a settlement sum for partial re-imbusement of legal expenses incurred for the legal proceedings.

**AUSTRALIA INDIA BUSINESS COUNCIL LTD
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DIRECTORS' DECLARATION

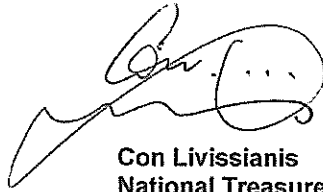
In the directors' opinion:

- (a) the financial statements and notes set out on pages 9 to 18 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Sheba Nandkeolyar

**Sheba Nandkeolyar
Chairman**


**Con Livissianis
National Treasurer**

Dated this 22nd day of July 2016

**AUSTRALIA INDIA BUSINESS COUNCIL LTD
ACN 154 498 218**

INDEPENDENT AUDITOR'S REPORT

To the members of Australia India Business Council Ltd:

We have audited the accompanying financial report of Australia India Business Council Ltd ("the company"), which comprises the statement of financial position as at 31 December 2015, 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, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the company.

Directors' Responsibility 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 *Corporations Act 2001* 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

**AUSTRALIA INDIA BUSINESS COUNCIL LTD
ACN 154 498 218**

INDEPENDENT AUDITOR'S REPORT (continued)

Basis for Qualified Opinion – Victorian State Chapter Results

In our independent audit report for the year ended 31 December 2014, we qualified our audit opinion as the directors were unable to provide us with complete accounting records for the results of the Victorian State Chapter and, as a result, we were not able to obtain sufficient, appropriate audit evidence in relation to certain items included in the statement of profit and loss and other comprehensive income, the statement of cash flows, and the statement of changes in equity for the year ended 31 December 2014, and cash at bank of \$7,476 attributable to the Victorian State Chapter as at 31 December 2014.

Since opening cash at bank enters into the determination of the financial performance and cash flows for the year ended 31 December 2015, we were unable to determine whether adjustments might have been necessary in respect of the profit(loss) for the year reported in the statement of profit or loss and comprehensive income and the net cash flows reported in the statement of cash flows.

Qualified Opinion

In our opinion, except for the possible effects on the financial statements of the matters referred to in the Basis for Qualified Opinion paragraph, the financial report of Australia India Business Council Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2015 and its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.



**HLB Mann Judd
Chartered Accountants**

**Sydney, NSW
22 July 2016**



**A G Smith
Partner**