

AUSTRALIAN ACADEMY OF SCIENCE **FINANCIAL REPORT**

FOR THE YEAR ENDED 30 JUNE 2024



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2024

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This report is available at [science.org.au/annual-and-financial-reports](https://www.science.org.au/annual-and-financial-reports).

AUSTRALIAN ACADEMY OF SCIENCE

Council report

30 June 2024

The Council presents their report, together with the financial statements, on the Australian Academy of Science (the Academy) for the year ended 30 June 2024.

Council Members

The following persons were members of the Academy Council during the whole of the financial year and up to the date of this report, unless otherwise stated:

Professor Alan Andersen	Professor Paul Mulvaney (until 23 May 2024)
Professor Marilyn Anderson	Professor Colin Raston
Professor Lyn Beazley	Professor Louise Ryan (until 23 May 2024)
Professor David Bowtell	Professor Veena Sahajwalla (until 23 May 2024)
Professor Ian Chubb	Professor Malcolm Sambridge (until 23 May 2024)
Professor Patrick De Deckker (since 23 May 2024)	Professor Frances Separovic
Professor Julian Gale	Professor Margaret Sheil (since 23 May 2024)
Professor Bob Graham	Professor Stephen Simpson
Professor Glenda Halliday (since 23 May 2024)	Professor Jonathan Sprent (until 23 May 2024)
Professor Chennupati Jagadish	Professor Svetha Venkatesh (since 23 May 2024)
Dr John Kirkegaard (until 23 May 2024)	Professor Ian Wright (since 23 May 2024)
Professor Ivan Maursic (since 23 May 2024)	

Objectives

The objective and purpose of the Academy, in both the short and long term are specified in the Academy Royal Charter as:

1. To promote, declare and disseminate scientific knowledge, to establish and maintain standards of scientific endeavour and achievement in the natural sciences in Australia; and to recognise outstanding contributions to the advancement of science.
2. To establish and maintain associations and relations between Australian scientists and the International Scientific Unions and other international groups, meetings, and unions of scientists and between Australian scientific activities and the activities of scientists in other countries.
3. To administer or help in administering funds for purposes of scientific research or projects of a scientific character.
4. To arrange or join in arranging meetings of scientists inside or outside Australia, to hold symposia, and to arrange for visits of scientists to other countries to Australia.
5. To correlate and assist in correlating the efforts of other scientific bodies.
6. To suggest ways in which scientific projects in Australia may be instituted, carried out, or revised.
7. To publish or assist in the publication of scientific knowledge.
8. To provide guidance to sources of scientific information.
9. To do all such other lawful things as the Academy may think incidental or conducive to the attainment of its objects or any of them.

Principal activities

During the financial year the principal continuing activities of the Academy were the election of fellows, international scientific collaboration, provision of scientific advice, scientific education and the communication of science, delivery of scientific programs to promote early and mid-career researchers and promote diversity and equity in science.

AUSTRALIAN ACADEMY OF SCIENCE

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30 June 2024

Performance measures

The Academy measures its performance through the discipline and cultural diversity of elected fellows, the reach and impact of the Academy's scientific reports and publications delivered to government and other relevant stakeholders, the independent evaluation of its scientific programs, continued and/or increased membership of and participation in international scientific councils.

Information on Council members



Professor Alan Andersen FAA

Member of Council (since 25 May 2023)

Professor Andersen is an ecologist with particular expertise in ant biodiversity. He is Professor (Research Excellence and Impact) at Charles Darwin University, and was previously a Chief Research Scientist with CSIRO, leading its Darwin Laboratory for twenty years.



Professor Marilyn Anderson AO FAA FTSE

Treasurer (since May 2021)

Professor Marilyn Anderson is an Emeritus Professor of Biochemistry and Genetics at La Trobe University. She founded the biotechnology company Hexima with Professor Adrienne Clarke in 1998 and was Chief Science Officer until 2022.



Professor Lyn Beazley AO FAA FTSE

Secretary Education and Public Awareness (since 26 May 2022)

Professor Lyn Beazley is a distinguished neuroscientist, former Chief Scientist for Western Australia and 2015 West Australian of the Year who has made a major contribution to the promotion and direction of science in Australia.



Professor David Bowtell FAA FAHMS

Member of Council (since 26 May 2022)

Professor David Bowtell has an extensive background in human cancer genome sequencing and personalized cancer medicine at the Peter MacCallum Cancer Centre, where he was Director of Research from 2000 to 2009. His current research focus is on the molecular genetics of ovarian cancer.



Professor Ian Chubb AC FAA FTSE

Secretary Science Policy (since May 2021)

Emeritus Professor Ian Chubb was Chief Scientist for Australia 2011-2016. Throughout his career he has been a strong advocate for higher education, serving as Vice-Chancellor of The Australian National University (2001-2011) and Flinders University (1995-2000).



Professor Patrick De Deckker AM FAA

Member of Council (since 23 May 2024)

Professor Patrick De Deckker is an Emeritus Professor at the ANU. After working on large Australian salt lakes and their records, he commenced working in marine geoscience to examine the Quaternary history of our oceans. Professor De Deckker has also investigated the geochemistry and microbiology of aeolian dust in Australia.

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Professor Julian Gale FAA

Member of Council (since 26 May 2022)

Professor Julian Gale is Professor of Computational Chemistry at Curtin University. His research focuses on the development and application of simulation to materials chemistry, with a particular focus on crystallisation and aqueous geochemistry.



Professor Bob Graham AO FAA FAHMS FRS

Secretary Biological Sciences (since May 2023)

Professor Robert M. Graham received his medical training and doctoral degree from the University of New South Wales, where he is the Des Renford Professor of Medicine. He was the inaugural Executive Director, Victor Chang Cardiac Research Institute from 1994 to 2020.



Professor Glenda Halliday AC FAA FAHMS

Member of Council (since 23 May 2024)

Professor Glenda Halliday is a career neuroscientist specialising in neurodegeneration. She has been a Fellow of the National Health and Medical Research Council (NHMRC) since 1990, appointed Professor of Medicine (2003) then of Neuroscience (2008), then NHMRC Senior Principal Research Fellow (2010) at the University of NSW and is now an NHMRC leadership fellow at the University of Sydney until 2029.



Professor Chennupati Jagadish AC PresAA FTSE

President (since 26 May 2022)

Professor Chennupati Jagadish is a Distinguished Professor and Head of Semiconductor Optoelectronics and Nanotechnology Group in the Research School of Physics, the Australian National University. He has published widely in semiconductor physics, materials science, optoelectronics and nanotechnology.



Professor Ivan Maursic FAA FTSE FRS

Secretary Physical Sciences (since 23 May 2024)

Professor Ivan Marusic is a Redmond Barry Distinguished Professor and Pro Vice-Chancellor (Research Infrastructure) at the University of Melbourne. His research is in the field of fluid mechanics, with emphasis on turbulent flows.



Professor Colin Raston AO FAA

Member of Council (since May 2021)

Professor Colin Raston is a Professor in Clean Technology at Flinders University where he is a Research Leader in the Flinders Institute for Nanoscale Science and Technology. He is recognised for seminal contributions to inorganic, organometallic and supramolecular chemistry, green chemistry, and nanoscience, nanotechnology and flow chemistry.

AUSTRALIAN ACADEMY OF SCIENCE

Council report

30 June 2024



Professor Frances Separovic AO FAA

Foreign Secretary (since 26 May 2022)

Distinguished Professor Emeritus Frances Separovic holds an honorary appointment in the School of Chemistry at the University of Melbourne where she was formerly Head of School and is deputy director of the Bio21 Institute.



Professor Margaret Sheil AO FAA FTSE

Member of Council (since 23 May 2024)

Professor Margaret Sheil is Vice-Chancellor of QUT. She serves as the Deputy Chair of the Board and lead Vice-Chancellor for Research and Innovation for Universities Australia. After an academic career in chemistry, specialising in mass spectrometry, she has led major reforms in higher education and science policy alongside her institutional roles.



Professor Stephen Simpson AC FAA FRS

Member of Council (since 25 May 2023)

Professor Steve Simpson is inaugural Academic Director of the Charles Perkins Centre and Professor in the School of Life and Environmental Sciences at the University of Sydney.



Professor Svetha Venkatesh FAA FTSE

Member of Council (since 23 May 2024)

Professor Svetha Venkatesh is a Deakin Distinguished Professor and Co-Director of Applied Artificial Intelligence Institute (A2I2) at Deakin University. Professor Venkatesh and her team have tackled a wide range of problems of social significance, including the critical areas of autism, security and aged care.



Professor Ian Wright FAA

Member of Council (since 23 May 2024)

Professor Ian Wright is Chief Scientist at Hawkesbury Institute for the Environment (Western Sydney University), also Distinguished Professor in Plant Functional Ecology, and a Chief Investigator in the ARC Centre for Plant Success in Nature and Agriculture. His chief research focus is understanding variation in plant functional traits, including by applying microeconomic concepts to understand trait evolution.

Chief Executive



Anna-Maria Arabia has held the role of Chief Executive of the Academy since November 2016 leading a team of qualified professional to deliver the strategic objectives of the Fellowship under the direction of the Academy Council. She has extensive experience in management of not-for-profit and government entities. Under the governing Bye-Laws of the Academy the Chief Executive is also responsible for corporate governance.

Meetings of Council

The number of meetings of the Academy Council and each committee of Council held during the year ended 30 June 2024 and the number of meetings attended by each Council member were:

AUSTRALIAN ACADEMY OF SCIENCE

Council report

30 June 2024

Member	Council		Executive Committee		Finance Committee	
	Attended	Held	Attended	Held	Attended	Held
Professor Alan Andersen	4	5				
Professor Marilyn Anderson	4	5	6	6	2	3
Professor Lyn Beazley	5	5	5	6		
Professor David Bowtell	3	5				
Professor Ian Chubb	5	5	6	6		
Professor Patrick De Deckker	3	5				
Professor Julian Gale	5	5				
Professor Bob Graham	4	5	5	6	2	3
Professor Glenda Halliday	1	5				
Professor Chennupati Jagadish	3	5	6	6	2	3
Dr John Kirkegaard	4	5				
Professor Ivan Maursic	3	5	4	6		
Professor Paul Mulvaney	3	5			2	3
Professor Colin Raston	5	5				
Professor Louise Ryan	3	5				
Professor Veena Sahajwalla	3	5				
Professor Malcolm Sambridge	3	5	5	6		
Professor Frances Separovic	5	5	6	6		
Professor Margaret Sheil	3	5				
Professor Stephen Simpson	5	5				
Professor Jonathan Sprent	3	5				
Professor Svetha Venkatesh	0	5				
Professor Ian Wright	2	5				

Contributions on winding up

In the event of the Australian Academy of Science being dissolved, the amount that remains after such dissolution and the satisfaction of all debts and liabilities shall be transferred to another organisation with similar purposes which is not carried on for the profit or gain of its individual members.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

On behalf of the directors

Professor Marilyn Anderson
Treasurer

16 October 2024
Canberra

AUSTRALIAN ACADEMY OF SCIENCE

Auditor's independence declaration

30 June 2024



RSM Australia Pty Ltd

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of the Australian Academy of Science for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads 'RSM'.

RSM AUSTRALIA PTY LTD

A handwritten signature in blue ink that reads 'GED Stenhouse'.

GED STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 23 October 2024

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AUSTRALIAN ACADEMY OF SCIENCE

Independent auditor's report

30 June 2024



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INDEPENDENT AUDITOR'S REPORT

To the Members of Australian Academy of Science

Opinion

We have audited the financial report of Australian Academy of Science (the Academy), which comprises the balance sheet as at 30 June 2024, the statement of 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 Statement by Council.

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

- (a) giving a true and fair view of the registered Academy's financial position as at 30 June 2024 and of its financial performance and cash flows for the year ended on that date; and
- (b) 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*.

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 Academy in accordance with the auditor independence requirements of the *ACNC Act 2012* and 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 confirm that the independence declaration required by the *ACNC Act 2012*, which has been given to the directors of the Academy, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Academy's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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AUSTRALIAN ACADEMY OF SCIENCE

Independent auditor's report

30 June 2024



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Academy are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – *Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities and the ACNC 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.

In preparing the financial report, the directors are responsible for assessing the ability of the Academy to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Academy 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.

A handwritten signature in black ink that reads 'RSM'.

RSM AUSTRALIA PTY LTD

A handwritten signature in black ink that reads 'G Stenhouse'.

GED STENHOUSE
Partner

Canberra, Australian Capital Territory
Dated: 23 October 2024



AUSTRALIAN ACADEMY OF SCIENCE

Financial statements

For the year ended 30 June 2024

General information

The financial statements cover the Australian Academy of Science as an individual entity. The financial statements are prepared in Australian dollars, which is the Academy's functional and presentation currency.

The Australian Academy of Science is a not-for profit organisation, founded on 16 February 1954 and established by Royal Charter. The Academy is a registered charity, domiciled in Australia with deductible gift recipient status granted by the Australian Taxation Office. The Academy's registered office and principal place of business is 9 Gordon Street Canberra, ACT, 2600.

A description of the nature of the Academy's operations and principal activities are included in the Council report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Council members on 16 October 2024. The Academy Council has the powers to amend and reissue the financial statements.

AUSTRALIAN ACADEMY OF SCIENCE

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2024

Revenue	Note	2024 \$	2023 \$
Revenue	3		
Grant income		5,960,996	5,585,051
Building hire, venue and event revenues		762,670	792,948
Fellowship revenue		266,940	371,236
Donations and sponsorships		1,263,581	914,331
Investment revenue		5,984,044	5,117,840
Other income		782,973	673,943
Insurance proceeds		24,294	6,031
Total revenue		15,045,498	13,461,380
Expenditure			
Education program administration		1,529,512	1,574,757
Fellowship expenses		251,811	400,816
Awards administration		893,662	974,398
National and international relations operations		1,239,329	833,917
International programs operations		1,669,522	965,685
Science policy expenses		1,429,745	932,004
Communications and outreach operations		2,209,623	2,299,785
Executive expenses		971,449	740,623
Fundraising		170,087	381,471
Administration expenses		1,276,033	1,117,369
Information, communication & technology		1,128,037	901,724
Building operations expenses		367,594	409,088
Venue and events operations		634,109	718,036
Loss on the sale of property, plant & equipment		-	-
Depreciation and amortisation expense		763,354	831,003
Brokerage and management fees		138,302	105,061
ISC Regional Presence		706,166	121,232
Total expenditure		15,378,335	13,306,969
Surplus/(loss) for the year		(332,837)	154,411
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(332,837)	154,411

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

AUSTRALIAN ACADEMY OF SCIENCE

Statement of financial position

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Current assets			
Cash and cash equivalents	4	5,749,783	4,151,265
Trade and other receivables	5	989,657	1,559,032
Investments	6	12,711,125	13,165,193
Prepayments		465,033	193,037
Total current assets		19,915,598	19,068,527
Non-current assets			
Investments	6	35,111,372	31,007,490
Property, plant and equipment	7	10,053,987	10,731,600
Total non-current assets		45,165,359	41,739,090
Total assets		65,080,957	60,807,617
Current liabilities			
Trade and other payables	8	837,507	1,111,336
Contract liabilities	9	6,001,077	1,177,703
Lease liabilities	10	85,685	106,462
Employee benefit provisions	11	1,105,359	965,887
Total current liabilities		8,029,628	3,361,388
Non-current liabilities			
Lease liabilities	10	14,712	98,388
Employee benefit provisions	11	68,531	46,918
Total non-current liabilities		83,243	145,306
Total liabilities		8,112,871	3,506,694
Net assets		56,968,086	57,300,923
Academy reserves			
Special purpose capital funds		27,378,392	24,199,972
Grant funds		1,250,556	2,226,671
General funds		28,339,138	30,874,280
Total Academy reserves		56,968,086	57,300,923

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

AUSTRALIAN ACADEMY OF SCIENCE

Statement of changes in equity

For the year ended 30 June 2024

	special purpose capital funds \$	grant funds \$	general funds \$	total \$
At 30 June 2023	24,199,972	2,226,671	30,874,280	57,300,923
<i>Profit/(loss) for the year</i>	3,178,420	(976,115)	(2,535,142)	(332,837)
At 30 June 2024	27,378,392	1,250,556	28,339,138	56,968,086

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

AUSTRALIAN ACADEMY OF SCIENCE

Statement of cash flows

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
Cashflows from operating activities			
<i>Cash received</i>			
Income from grants & donations		11,757,611	6,683,897
Other receipts		2,390,445	1,219,946
Net goods and services tax amount received		124,669	228,319
Total cash received		14,272,725	8,132,162
<i>Cash used</i>			
Payments to employees		(8,452,891)	(7,921,478)
Payments for services		(6,272,780)	(5,101,900)
Repayment of amounts held in trust		-	(4,635,621)
Interest paid		(7,401)	(14,777)
Total cash used		(14,733,072)	(17,673,776)
Net cash flows from operating activities		(460,347)	(9,541,614)
Cash flows from investing activities			
<i>Cash received</i>			
Investment income received		2,125,426	1,951,622
Proceeds from sale of investments		13,299,737	16,408,158
Total cash received		15,425,163	18,359,780
<i>Cash used</i>			
Acquisition of investments		(13,176,104)	(9,733,783)
Acquisition of property, plant and equipment		(85,742)	(1,540,669)
Total cash used		(13,261,846)	(11,274,452)
Net cash flows from investing activities		2,163,317	7,085,328
Cash flows from financing activities			
<i>Cash used</i>			
Repayment of lease liabilities		(104,452)	(66,813)
Total cash used		(104,452)	(66,813)
Net cash from financing activities		(104,452)	(66,813)
Net increase/(decrease) in cash held		1,598,518	(2,523,099)
Add: Cash at beginning of financial year		4,151,265	6,674,364
Cash at end of financial year	4	5,749,783	4,151,265

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

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 1. 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 Academy has adopted all 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 entity.

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

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Academy's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 1. Significant accounting policies (continued)

Revenue recognition

The Academy recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Academy: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and 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.

Donations and Sponsorships

Donations, bequests and sponsorship agreements that contain specific conditions and enforceable obligations on the use of those funds are recognised as and when the entity satisfies its performance obligations stated within the donation agreements. Otherwise, revenue from donations, bequests and sponsorships is recognised when the income is received.

Investment income

Investment income includes monies received from interest, distributions and dividends. Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset. Dividend income is recognised when the shareholder's right to receive the dividend is established.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 1. Significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Academy has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets

The Academy recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured based on the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 1. Significant accounting policies (continued)

Investments and other financial assets (continued)

Impairment of financial assets (continued)

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that show similar credit risk characteristics.

Property, plant and equipment

Land and buildings are shown at cost, less subsequent depreciation and impairment for buildings.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	25 years
Leasehold improvements	25 years
Plant and equipment	2-20 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 1. Significant accounting policies (continued)

Impairment of non-financial assets

Other 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 of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the entity 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.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index, or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. 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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 1. Significant accounting policies (continued)

Contract liabilities

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

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Comparative figures

Where required by Accounting Standards and where appropriate, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Note 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 will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been accounted for.

Note 3. Revenue

	2024 \$	2023 \$
<i>Revenue from contracts with customers</i>		
Building hire, venue and event revenue	762,670	792,948
Fee income	282,749	245,426
Grant income	2,896,281	1,941,637
	<u>3,941,700</u>	<u>2,980,011</u>
<i>Other revenue</i>		
Fellowship revenue	266,940	371,236
Donations & Sponsorships	1,263,581	914,331
Grant income	3,064,715	3,643,414
Membership fee income	240,000	245,000
Insurance proceeds	24,294	6,031
Other Revenue	260,224	183,518
	<u>5,119,754</u>	<u>5,363,530</u>
<i>Investment revenue</i>		
Fair value movement on investment portfolio	4,180,541	3,091,528
Dividend income	1,691,265	1,728,448
Interest income	128,387	101,070
Interest expense	-	(90,690)
Gain/(loss) on sale of investments	(16,149)	287,483
	<u>5,984,044</u>	<u>5,117,839</u>
Total Revenue	<u>15,045,498</u>	<u>13,461,380</u>

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

<i>Disaggregation of revenue</i>	2024	2023
	\$	\$
The disaggregation of revenue from contracts with customers is as follows:		
<i>Geographical regions</i>		
Australia	<u>3,941,700</u>	<u>2,980,011</u>
<i>Timing of revenue recognition:</i>		
Goods and services transferred at a point in time	8,294,812	7,014,666
Goods transferred over time	<u>6,750,686</u>	<u>6,446,714</u>

Note 4. Cash and cash equivalents

Cash on hand	386	386
Cash at bank	2,427,571	1,357,437
Cash on deposit	<u>3,321,826</u>	<u>2,793,442</u>
Total cash and cash equivalents	<u>5,749,783</u>	<u>4,151,265</u>

The Academy also has a bank overdraft facility with an available limit of \$100,000 (2023: \$100,000).

Note 5. Trade and other receivables

Trade receivables	486,426	750,027
Interest and dividend revenue receivable	<u>503,231</u>	<u>809,005</u>
Total trade and other receivables	<u>989,657</u>	<u>1,559,032</u>

Note 6. Investments

Current Investments

Interest Bearing & Hybrid Investments	<u>12,711,125</u>	<u>13,165,193</u>
Total current investments	<u>12,711,125</u>	<u>13,165,193</u>

Non-current Investments

Australian Equity Investments	14,226,736	12,831,213
International Equity Investments	16,198,392	13,760,695
Alternative Investments	<u>4,686,243</u>	<u>4,415,582</u>
Total non-current investments	<u>35,111,371</u>	<u>31,007,490</u>

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 7. Property, plant and equipment

	2024 \$	2023 \$
Land and buildings - at cost	12,062,962	12,050,074
Less: Accumulated depreciation	(4,831,954)	(4,521,685)
	7,231,008	7,528,389
Furniture, fittings, plant & equipment - at cost	5,420,125	5,349,953
Less: Accumulated depreciation	(2,607,444)	(2,154,358)
	2,812,681	3,195,595
Work in progress	10,298	7,616
Total property, plant and equipment	10,053,987	10,731,600

Note 7. Property, plant and equipment (continued)

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

	Land & buildings \$	Furniture, fittings, plant & equipment \$	Work in progress \$	Total \$
Balance at 1 July 2023	7,528,389	3,195,595	7,616	10,731,600
Transfers	-	7,616	(7,616)	-
Additions	12,888	62,556	10,298	85,742
Disposals	-	-	-	-
Depreciation expense	(310,269)	(453,086)	-	(763,355)
Balance at 30 June 2024	7,231,008	2,812,681	10,298	10,053,987

The Academy owns two heritage listed buildings, the Shine Dome and Ian Potter House located in Acton, ACT.

Management engaged Colliers Valuation and Advisory Services to undertake an independent valuation of the land and buildings of the Academy as at 30 June 2022. The determined values were:

1. The Shine Dome \$8,080,000 (including land valued at \$1,130,000)
2. Ian Potter House \$8,250,000 (including land valued at \$1,200,000)

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 8. Trade and other payables

	2024	2023
	\$	\$
Trade creditors	303,358	208,964
Other creditors	286,625	779,324
Goods and services tax	247,524	123,048
Total trade and other payables	837,507	1,111,336

Note 9. Contract liabilities

Unearned grant revenue	5,673,221	1,104,517
Membership fees paid in advance	-	30,000
Venue hire deposits	37,615	43,186
Sponsorship income	290,242	-
Total contract liabilities	6,001,077	1,177,703

Note 10. Lease liabilities

Current lease liabilities

Leased office equipment	8,021	7,477
Lease computer equipment	77,664	98,985
Total current lease liabilities	85,685	106,462

Non-current lease liabilities

Leased office equipment	1,392	9,413
Lease computer equipment	13,320	88,975
Total non-current lease liability	14,712	98,388

Note 11. Employee benefit provisions

Current

Annual leave	471,147	422,731
Long service leave	634,213	543,156
	1,105,360	965,887

Non-current

Long service leave	68,531	46,918
	68,531	46,918

Note 12. Auditor remuneration

Audit of financial statements	39,600	37,861
Other regulatory audit services	3,000	4,500
Total auditor remuneration	42,600	42,361

RSM Australia were appointed by the Academy to audit the annual financial statements. The firm was also engaged to perform acquittal audits on several government grants.

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

Note 13. Key management personnel

Compensation

The aggregate compensation made to Council members and other key management personnel of the Academy is set out below:

	2024	2023
	\$	\$
Aggregate Compensation	1,555,722	1,453,107

Note 14. Joint Arrangements

The Australian Academy of Science or "Academy", represented by its President, is one of four members of the Australian Council of Learned Academies Limited or "ACOLA" ACN 625 939 540, a company limited by guarantee. The President of the Academy is entitled to be a Director of ACOLA and together with the other Presidents of the other three Learned Academies, form part of the ACOLA Board.

ACOLA does not receive any funding from the Academy. Any management decisions made by the ACOLA Board is independent of the Academy. The Academy does not receive any dividends or earnings from the operations of ACOLA and will not receive anything on wind-up. As a member, the Academy's liability is limited to \$20. During normal ongoing operations of ACOLA, the Academy has no such rights to ACOLA's assets and/or liabilities. The Academy does not have control of 25% of the ACOLA operations but acts with the other three Learned Academies to oversee 100% of its operations.

Note 15 Contingent liabilities

The Academy had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Note 16 Commitments

The Academy had no commitments for expenditure as at 30 June 2024 and 30 June 2023.

Note 17 Related party transactions

Council Members

There were no transactions with the Council members outlined in the Council Report during the current or previous financial year

Key management personnel

Disclosures relating to key management personnel are set out in note 13.

Transactions with related parties

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

Receivable from and payable to related parties

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

Loans to/from related parties

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

Note 18. Events after the reporting period

On 22 July 2024, the Academy announced its intention to realign its human resources with its strategic priorities. The restructure is expected to result in the creation of several new positions, with several long-term employees being made redundant. As at 31 August 2024, a total of four redundancies had been

AUSTRALIAN ACADEMY OF SCIENCE

Notes to the financial statements

For the year ended 30 June 2024

confirmed, at an estimated cost of \$150,000. The Academy anticipates there will be no material change in ongoing staff costs following the implantation of the restructure.

No other matters or circumstances have arisen since 30 June 2024 that have significantly affected, or may significantly affect the Academy's operations, the results of those operations, or the Academy's situation in future financial years.

AUSTRALIAN ACADEMY OF SCIENCE

Council declaration

30 June 2024

AUSTRALIAN ACADEMY OF SCIENCE

Council declaration

30 June 2024

In the opinion of the Council of the Australian Academy of Science (the Academy):

1. The financial statements and accompanying notes, are in accordance with the Australian Charities and Not-for-profit Commission Act 2012 and:
 - a. Comply with Australian Accounting Standards-Simplified Disclosures, and
 - b. Give a true and fair view of the financial position as at 30 June 2024 and of the performance of the Academy for the year ended on that date.
2. In the Council's opinion there are reasonable grounds to believe that the Academy 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 Council.



C. Jagadish
President
16 October 2024



M. Anderson
Treasurer
16 October 2024

