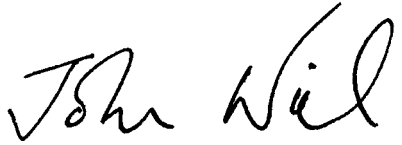


VISASIA
FINANCIAL REPORT 2010–11
ACN: 086 474 713

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I certify that this document (numbered pages 7 to 16 for identification) is a true copy of all accounts required to be laid before the company at the Annual General Meeting, together with a copy of every other document which is required under Section 316 to be laid before the Annual General Meeting.

A handwritten signature in black ink that reads "John Wicks". The signature is written in a cursive style and is positioned above a horizontal line.

John Wicks
Secretary

Dated: 18 October 2011

DIRECTORS' STATUTORY REPORT

for the year ended 30 June 2011

The directors of The Australian Institute of Asian Culture and Visual Arts Limited present their report for the year ended 30 June 2011.

Principal activities

The principal activities of the company were the promotion of an understanding and appreciation of Asian culture through the arts. There has been no change in the nature of these activities since incorporation of the company.

Review of operations and results

The surplus for the year ended 30 June 2011 was \$319,930

The Company is exempt from income tax.

Information on Directors

Meetings attended

The names of the Directors in office at date of this report are:

Dr John Yu, AC – Chairman	Chair, George Institute of International Health	2
Edmund Capon, AM, OBE	D.Phil, Director of the AGNSW	2
Stephen Menzies	Partner, Blake Dawson Waldron	2
Jackie Menzies	Head Curator of Asian Art, AGNSW	2
Sandra Forbes	Editor and Publishing Consultant	–
Warwick Johnson	Investment Manager, Optimal Fund Management	2
Philip Cox	Director, The Cox Group Pty Ltd	1
Steve Burdon	Director, Criteria Research Pty Ltd	2
Judith Rutherford, AM	President of TAASA (Asian Arts Society of Australia)	2

Directors and auditors indemnification

The company has not, during or since the end of the period, in respect of any person who is or has been an officer or auditor of the company:

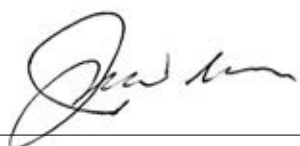
- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Directors' benefits

Other than as disclosed in note 8, no director has received or become entitled to receive, during or since the period, a benefit because of a contract made by the company with a director, a firm in which the director is a member or an entity in which the director has a substantial financial interest.

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on the next two pages.

Signed in accordance with a resolution of the board of directors.



Dr John Yu, AC
Chairman



Warwick Johnson
Director

Dated: 18 October 2011



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

The Australian Institute of Asian Culture and Visual Arts Limited (VisAsia)

To Members of the New South Wales Parliament and Members of The Australian Institute of Asian Culture and Visual Arts Limited

I have audited the accompanying financial statements of The Australian Institute of Asian Culture and Visual Arts Limited (the Company), which comprise the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and 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.

Opinion

In my opinion the financial statements:

- are in accordance with the *Corporations Act 2001*, including:
 - giving a true and fair view of the Company's financial position as at 30 June 2011 and its performance for the year ended on that date
 - complying with Australian Accounting Standards and the Corporations Regulations 2001
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010

My opinion should be read in conjunction with the rest of this report.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements that give true and fair view in accordance with Australian Accounting Standards, the PF&A Act and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give 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 entity'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 statements.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does *not* provide assurance:

- about the future viability of the Company
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards, *Corporations Act 2001* and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



Steven Martin
Director, Financial Audit Services

19 October 2011
SYDNEY



GPO BOX 12
Sydney NSW 2001

To the Directors
The Australian Institute of Asian Culture and Visual Arts Limited

Auditor's Independence Declaration

As auditor for the audit of the financial statements of The Australian Institute of Asian Culture and Visual Arts Limited for the year ended 30 June 2011, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit, and
- any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read "S. Martin".

Steven Martin
Director, Financial Audit

14 October 2011
SYDNEY

DIRECTORS' STATEMENT

for the year ended 30 June 2011

START OF AUDITED FINANCIAL STATEMENTS

STATEMENT IN ACCORDANCE WITH SECTION 41C (1C) OF THE PUBLIC FINANCE AND AUDIT ACT, 1983

In accordance with a resolution of the board of directors of the VisAsia, we state that:

- (a) The accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the applicable clauses of the Public Finance and Audit Regulation 2010, applicable Accounting Standards, other mandatory reporting requirements and the Treasurer's Directions;
- (b) The financial statements and notes thereto exhibit a true and fair view of the financial position as at 30 June 2011 and the operations for the year then ended; and
- (c) At the date of signing we are not aware of circumstances that would render the financial statements misleading or inaccurate;



Dr John Yu, AC
Chairman



Warwick Johnson
Director

Dated: 18 October 2011

DIRECTORS' DECLARATION

for the year ended 30 June 2011

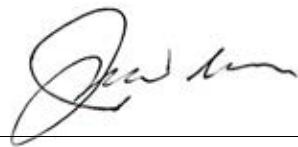
STATEMENT IN ACCORDANCE WITH SECTION 41C (1C) OF THE PUBLIC FINANCE AND AUDIT ACT, 1983

The directors declare that:

- (a) the attached financial statements and notes thereto comply with Australian Accounting Standards and other mandatory professional reporting requirements;
- (b) the attached financial statements and notes thereto give a true and fair view of the financial position and performance of the Company;
- (c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001 and the Corporation Regulation 2001; and
- (d) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the directors,



Dr John Yu, AC
Chairman



Warwick Johnson
Director

Dated: 18 October 2011

Statement of comprehensive income

for the year ended 30 June 2011

	Notes	2011 \$	2010 \$
Revenue			
Donations		256,800	217,400
Sponsorship – Cash		–	–
Interest revenue		83,032	53,820
Total revenue		339,832	271,220
Expenses			
Audit fees – audit of financial statements	2	5,450	5,250
Grants and contributions – to Art Gallery of NSW		–	170,000
Donations – Other		10,000	–
Other costs (TASSA review, ASIC fees, bank fees, other)		4,452	87
Total expenses		19,902	175,337
SURPLUS/(DEFICIT) FOR THE YEAR		319,930	95,883
Other comprehensive income		–	–
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		319,930	95,883

The accompanying notes form part of these statements

Statement of financial position

as at 30 June 2011

	Notes	2011 \$	2010 \$
ASSETS			
Current assets			
Cash and cash equivalents	3 (a)	1,608,180	1,289,889
Trade and other receivables	3 (b)	10,592	8,755
Total current assets		1,618,772	1,298,644
TOTAL ASSETS		1,618,772	1,298,644
LIABILITIES			
Current liabilities			
Trade and other payables	3 (c)	5,450	5,252
Total current liabilities		5,450	5,252
TOTAL LIABILITIES		5,540	5,252
NET ASSETS		1,613,322	1,293,392
EQUITY			
Accumulated funds		1,613,322	1,293,392
TOTAL EQUITY		1,613,322	1,293,392

The accompanying notes form part of these statements

Statement of changes in equity

for the year ended 30 June 2011

	Accumulated Funds 2011 \$	Accumulated Funds 2010 \$
Balance at the beginning of the financial year	1,293,392	1,197,509
Surplus for the year	319,930	95,883
BALANCE AT THE END OF THE FINANCIAL YEAR	1,613,322	1,293,392

The accompanying notes form part of these statements

Statement of cash flows

for the year ended 30 June 2011

	2011	2010
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Donations received	256,800	217,400
Sponsorship – Cash	–	–
Interest received	81,195	50,583
Total receipts	337,995	267,983
Payments		
Grants and contributions – to Art Gallery of NSW	–	(170,000)
Donations	(10,000)	–
Payments to suppliers	(9,704)	(6,335)
Total Payments	(19,704)	(176,335)
NET CASH FLOWS FROM OPERATING ACTIVITIES	318,291	91,648
Net increase in Cash & Cash Equivalents	318,291	91,648
Opening balance cash & cash equivalents	1,289,889	1,198,241
Cash Balance at end of year	3 (a) 1,608,180	1,289,889

Reconciliation of Surplus for the Year with Net Cash Flows from Operating Activities

Surplus for the year	319,930	95,883
(Increase) decrease in trade and other receivables	(1,837)	(3,237)
Increase (decrease) in trade and other payables	198	(998)
NET CASH FLOWS FROM OPERATING ACTIVITIES	318,291	91,648

The accompanying notes form part of these statements

Notes to and forming part of the financial statements

for the year ended 30 June 2011

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting entity

VisAsia was incorporated on 26 February 1999 as a Company limited by guarantee and is a not for profit entity. The financial statements have been authorised for issue by the board of directors on 18 October 2011.

(b) Basis of preparation

The VisAsia's financial statements are general purpose statements, which have been prepared in accordance with:

- the *Corporations Act 2001*;
- Australian Accounting Standards and Interpretations; and
- the requirements of the *Public Finance and Audit Act 1983*, the *Public Finance and Audit Regulation 2010*.

The financial statements are based on historical cost. Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements. All amounts are rounded to the nearest dollar and are expressed in Australian currency.

(c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards and interpretations.

(d) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Donations are recognised when the VisAsia receives control over the assets comprising the donations. Control over these are normally obtained upon receipt of cash. Interest income is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*.

(e) Acquisitions of assets

The cost method of accounting is used for the initial recording of all acquisition of assets by VisAsia.

Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

(f) Financial instrument policies

(i) Financial instruments

The VisAsia's financial instruments arise directly from the VisAsia's operations or are required to finance its operations. The VisAsia does not enter into or trade financial instruments for speculative purposes and does not use financial derivatives.

(a) Cash

Cash comprises cash on hand and bank balances. Interest is earned on daily bank balances and paid monthly at the normal commercial rate.

(b) Term deposits

The VisAsia has placed funds in bank deposits 'at call' or for a fixed term. The interest rate payable is negotiated initially and is fixed for the term of the deposits. The deposits are usually held to maturity. Interest is accrued as at 30 June each year and brought to account in the statement of comprehensive income.

Notes to and forming part of the financial statements

for the year ended 30 June 2011

(c) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are accounted for in the statement of comprehensive income when impaired, derecognised or through the amortisation process. No interest is earned on trade and other receivables. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade and other receivables. Sales are made on 30 day terms. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(d) Trade and other payables

The amounts represent liabilities for goods and services provided to the VisAsia and other amounts, including interest. Trade and other payables are recognised initially at transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(ii) Risk Management of Financial Assets

The VisAsia's investment's are confined to term deposits which are administered by the Art Gallery in line with its investment policy which was endorsed by the AGNSW Trust's Finance Committee/Board during 2009/10. The Policy is reviewed annually by the AGNSW Trust's Audit and Risk Committee.

(a) Credit risk

Credit risk arises when there is the possibility of the VisAsia's debtors defaulting on their contractual obligations, resulting in a financial loss to VisAsia. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment). VisAsia is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. The credit risk for trade debtors is the carrying amount (net of any allowance for impairment). No collateral is held by the VisAsia. The VisAsia has not granted any financial guarantees. Credit risk on term deposits is managed by ensuring that only those banks and building societies approved by the Reserve Bank/Australian Prudential Regulatory Authority (APRA) and included in the AGNSW Approved List, all of which have A ratings or better. Maturities are generally less than 12 months.

(b) Liquidity risk

Liquidity risk is the risk that the VisAsia will be unable to meet its payment obligations when they fall due. The VisAsia continuously manages this risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The VisAsia has no loans or overdrafts and no assets have been pledged as collateral. An overdraft facility is not considered necessary as arrangements have been put in place to call in term deposits at short notice if needed. A penalty of reduced interest rate may sometimes be incurred.

(c) Interest rate risks

The VisAsia's exposure to interest rate risks is limited with the fixed rate term deposits which are negotiated prior to investment.

(d) Other risks

The VisAsia does not have financial assets which are exposed to market, currency or other risks.

(iii) Impairment of financial assets

All financial assets, except those measured at fair value through profit and loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the VisAsia will not be able to collect all amounts due. Any reversals of impairment losses are reversed through the income statement, where there is objective evidence.

(iv) Derecognition of financial assets and liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the VisAsia transfers the financial asset where substantially all the risks and rewards have been transferred or

Notes to and forming part of the financial statements

for the year ended 30 June 2011

where the VisAsia has not transferred substantially all the risks and rewards, if the entity has not retained control. Where the VisAsia has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the VisAsia's continuing involvement in the asset. A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expired.

(g) Accounting Standards Issued but not yet Effective

VisAsia did not early adopt any new accounting standards and interpretations that are not yet effective.:

VisAsia has assessed the impact of these new standards and interpretations and considers the impact to be minimal or insignificant.

(h) Taxation Status

VisAsia is a registered charitable fund and is entitled to an income tax exemption concession.

2 AUDIT FEES

The Auditors received no other benefits other than those disclosed in the Statement of Comprehensive Income.

3 FINANCIAL INSTRUMENTS

	2011	2010
	\$	\$
a) Current assets – Cash and cash equivalents		
Cash at bank	188,180	189,889
Term deposits	1,420,000	1,100,000
	– at variable interest rate	
	– less than 1 year	
Total cash and cash equivalents	1,608,180	1,289,889

For the purpose of the statement of cashflows, cash at end of the financial year includes cash at bank and short term deposits as shown above. There is no bank overdraft.

Weighted average interest rate earned on cash and term deposits in 2011 is 5.7% (2010 – 4.3%).

b) Current assets – trade and other receivables

Accrued interest	10,592	8,755
	– not past due	
	10,592	8,755

c) Current liabilities – trade and other payables

Creditors	5,450	5,252
	– non-interest bearing	
	5,450	5,252

Notes to and forming part of the financial statements

for the year ended 30 June 2011

4 ASSISTANCE PROVIDED TO COMPANY

The Art Gallery of New South Wales provides administrative and secretariat support at no cost to the VisAsia entity. The investments are managed in line with Gallery's policy and risk management practices.

5 CONTINGENT LIABILITIES

There were no material contingent liabilities as at 30 June 2011 (2010 – Nil).

6 COMMITMENTS FOR EXPENDITURE

There were no outstanding capital and expenditure commitments as at 30 June 2011 (2010 – Nil).

7 RELATED PARTIES

No director received or became entitled to receive, during or since the financial year, a benefit because of a contract made by the entity with a director, a firm in which the director is a member, or an entity in which the director has a substantial financial interest.

There was no contribution to the Art Gallery of NSW as at 30 June 2011. (2010 \$170,000).

8 FUNDRAISING APPEALS

VisAsia did not undertake any specific fundraising appeals. However many of the VisAsia supporters attend the fund raising events held by the Art Gallery of NSW.

9 MEMBERS' GUARANTEE

The Company is limited by guarantee. If the Company is wound up, the articles of association state that each member is required to contribute a maximum of \$1 each towards meeting any outstanding obligations of the Company.

At 30 June 2011 the number of members was (9) nine.

END OF AUDITED FINANCIAL STATEMENTS