PRINT & VISUAL COMMUNICATION ASSOCIATION of AUSTRALIA

Voice of our Industry

ANNUAL REPORT

2021

Print and Visual Communication Association

For the year ended 31 December 2021

Annual Financial Report

Contents:

Expenditure Report

For the year ended 31 December 2021

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Print and Visual Communication Association for the year ended 31 December 2021.

Categories of expenditures	***2021*** ***$***	***2020*** ***$***
Remuneration and other employment-related costs and expenses - employees	83,578	462,300
Advertising	2,270	4,824
Operating costs	522,007	826,092
Donations to political parties	-	-
Legal costs	15,231	778

Signature of prescribed designated officer:

John Georgantzakos

Honorary Treasurer

30th May 2022

Operating Report

For the year ended 31 December 2021

The Committee of Management presents its operating report on the Print and Visual Communication Association ("the Association") of Australia for the year ended 31 December 2021.

Review of principal activities, the results of those activities and any significant changes in the nature of those activities during the year

During the year the Print and Visual Communication Association continued to assist its members with specialty services, advice, support and representation. As a result of these activities, the Print and Visual Communication Association generated a loss of $1,474,511 during the year. There were no significant changes in the nature of the activities of the Print and Visual Communication Association during the year.

Significant changes in financial affairs

There were no significant changes in the financial affairs of the Print and Visual Communication Association during the year.

Right of members to resign - (Section 174) and clause 8 of the Print and Visual Communication Association Constitution

1) A member of the Print and Visual Communication Association may resign by written notice addressed and delivered to a person designated for the purpose in the rules of the Print and Visual Communication Association.

2) This resignation will take effect from:

a. Where the member ceases to be eligible to be a member of the Association:
   i) On the day on which the notice is received by the Association; or
   ii) On the day specified in the notice, which is a day not earlier than the day when the member ceases to be eligible to be a member, whichever is later; or

b. in any other case:
   i) at the end of two weeks, or such shorter period as is specified in the rules of the Print and Visual Communication Association, after the notice is received by the Print and Visual Communication Association; or
   ii) On the day specified in the notice, whichever is later.

3) Any dues payable but not paid by the former member of the Print and Visual Communication Association in relation to a period before the member's resignation from the Print and Visual Communication Association took effect, may be sued for and recovered in the name of the Print and Visual Communication Association, in a court of a competent jurisdiction as a debt due to the Print and Visual Communication Association.

4) A notice delivered to the person mentioned in subsection (1) is taken to have been received by the Print and Visual Communication Association when it was delivered.

5) A notice of resignation that has been received by the Print and Visual Communication Association is not invalid because it was not addressed and delivered in accordance with subsection (1).

Operating Report (continued)

For the year ended 31 December 2021

6) A resignation from membership of the Print and Visual Communication Association is valid even if it is not affected in accordance with this section if the member is informed in writing by or on behalf of the organisation that the resignation has been accepted.

Officers or members who are superannuation fund trustee(s) or director of a company that is a superannuation fund trustee

No officer or member of the Print and Visual Communication Association is a trustee of a superannuation entity or an exempt public sector superannuation scheme; or a director of a company that is a trustee of a superannuation entity or an exempt public sector superannuation scheme other than those noted below.

Susan Heaney is a member of the Print and Visual Communication Association and is a director of a company that is a trustee of Media Super, a superannuation entity.

Peter Clark is a member of the Print and Visual Communication Association and is a director of a company that is a trustee of Media Super, a superannuation entity.

Andrew Macaulay was an officer of the Print and Visual Communication Association and a director of a company that is a trustee of Media Super, a superannuation entity.

Number of members

There were 528 members recorded in the register of members and who are taken as members at the end of the financial year.

Number of employees

There is no employee of the Print and Visual Communication Association at the end of the financial year.

Operating Report (continued)

For the year ended 31 December 2021

Names of Committee of Management members and period positions held during the financial year

For the duration of the financial year (unless indicated otherwise) Board members during the year were:

Director	Appointed	Resigned	Board Meetings A	Board Meetings B
John Georgantzakos	-	-	11	11
Kevin Pidgeon	-	-	11	11
Martin Guilliamse	-	-	11	11
Richard Celarc	-	31 Dec 2021	7	11
Theo Pettaras	-	1 March 2021	1	1
Tom Eckersley	-	-	10	11
Walter Kuhn	-	-	11	11
Stuart Fysh	-	-	9	11

A – Number of meetings attended.

B – Number of meetings held during the time the director held office during the year.

Signature of prescribed designated officer:

John Georgantzakos

Honorary Treasurer

30th May 2022

Committee of Management Statement

For the year ended 31 December 2021

On [illegible]May 2022, the Committee of Management of the Print and Visual Communication Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2021:

The Committee of Management declares that in its opinion:

(a) the financial statements and notes comply with the Australian Accounting Standards;

(b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the Fair Work (Registered Organisations) Act 2009 (the RO Act);

(c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Print and Visual Communication Association for the financial year to which they relate;

(d) there are reasonable grounds to believe that the Print and Visual Communication Association will be able to pay its debts as and when they become due and payable; and

(e) during the financial year to which the GPFR relates and since the end of that year:

    (i) meetings of the committee of management were held in accordance with the rules of the organisation including the rules of a branch concerned; and

    (ii) the financial affairs of the Print and Visual Communication Association have been managed in accordance with the rules of the organisation including the rules of a branch concerned; and

    (iii) the financial records of the Print and Visual Communication Association have been kept and maintained in accordance with the RO Act; and

    (iv) where information has been sought in any request by a member of the Print and Visual Communication Association or Commissioner duly made under section 272 of the RO Act has been provided to the member or Commissioner; and

    (v) where any order for inspection of financial records has been made by the Fair Work Commission under section 273 of the RO Act, there has been compliance.

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

Signature of prescribed designated officer:

John Georgantzakos

Honorary Treasurer

30th May 2022

Statement of Comprehensive Income

For the year ended 31 December 2021

	Note	2021	2020
Revenue			
Revenue from contracts with customers			
Membership subscriptions		**398,504**	495,841
Total revenue from contracts with customers		**398,504**	495,841
Other income			
Interest	3c	**227**	1,062
Rental revenue	3d	**105,027**	216,480
Other income	3f	**76,385**	91,312
Gain on revaluation of investment property	3g	**-**	-
Total other income		**181,639**	308,854
Income for furthering objectives			
Grants and/or donations	3e	**-**	100,000
Total income for furthering objectives		**-**	100,000
Total income		**580,143**	904,695
Expenses			
Employee expenses	4a	**83,578**	462,300
Affiliation fees	4c	**15,238**	47,226
Administration expenses	4d	**414,174**	749,068
Depreciation and amortisation	4f	**66,100**	253,579
Finance costs	4g	**74,211**	16,622
Legal costs	4h	**15,231**	778
Audit fees	14	**20,654**	18,000
Other Expenses	4k	**-**	-
Loss on revaluation of investment property	4i	**35,000**	-
Share of net loss of joint venture	6g	**34,595**	-
Loss on Sale of Assets	4j	**1,295,873**	-
Total expenses		**2,054,654**	1,547,573
Deficit for the year		**(1,474,511)**	(642,878)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Gain/(Loss) on revaluation of land and buildings		**-**	59,534
Total comprehensive income (loss) for the year		**(1,474,511)**	(583,344)

The notes on pages 11 to 46 are an integral part of these financial statements.

Statement of Financial Position

As at 31 December 2021

	Note	**2021**	2020
Assets			
Current assets			
Cash and cash equivalents	5a	**1,392,232**	30,963
Trade and other receivables	5b	**8,121**	65,736
Other current assets	5c	**5,224**	13,095
Investments	5d	**-**	-
Total current assets		**1,405,577**	109,794
Non-current assets			
Land and buildings	6a	**1,600,000**	1,600,000
Plant and equipment	6b	**32,878**	40,897
Right-of-use assets	6c	**-**	-
Investment property	6d	**1,515,000**	4,185,900
Intangibles	6e	**39,239**	97,320
Other non-current assets	6f	**43,595**	100,434
Investment in joint venture	6g	**165,405**	-
Total non-current assets		**3,396,117**	6,024,551
Total assets		**4,801,694**	6,134,345
Liabilities			
Current liabilities			
Trade payables	7a	**118,165**	94,915
Other payables	7b	**346,093**	129,723
Borrowings	7c	**-**	-
Employee provisions	8a	**-**	57,760
Total current liabilities		**464,258**	282,398
Non-current liabilities			
Other non-current liabilities	9a	**-**	40,000
Total non-current liabilities		**-**	40,000
Total liabilities		**464,258**	322,398
Net assets		**4,337,436**	5,811,947
Equity			
Asset revaluation reserve	10a	**427,692**	427,692
Retained earnings	10b	**3,909,744**	5,384,255
Total equity		**4,337,436**	5,811,947

The notes on pages 11 to 46 are an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2021

	Asset revaluation reserve	Retained earnings	Total equity
Balance as at 1 January 2020	**368,158**	**6,027,133**	**6,395,291**
Deficit for the year	-	(642,878)	(642,878)
Other comprehensive income for the year	59,534	-	59,534
Balance as at 1 January 2021	**427,692**	**5,384,255**	**5,811,947**
Deficit for the year	**-**	**(1,474,511)**	**(1,474,511)**
Other comprehensive income for the year	**-**	**-**	**-**
Closing balance as at 31 December 2021	**427,692**	**3,909,744**	**4,337,436**

The notes on pages 11 to 46 are an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2021

	Note	2021	2020
Cash flows from operating activities			
Cash receipts from customers		919,931	827,240
Cash payments to suppliers and employees		(628,689)	(1,247,232)
Receipts from government stimulus		-	100,000
Interest received		200	1,062
Interest and other finance costs		(70,200)	(2,686)
Net cash from (used in) operating activities	11a	221,242	(321,616)
Cash flows from investing activities			
Proceeds from disposal of investment property		1,340,027	-
Payments for joint venture operations		(200,000)	-
Purchase of plant and equipment		-	-
Net cash from investing activities		1,140,027	-
Cash flows from financing activities			
Repayment of lease liabilities		-	(118,636)
Proceeds from interest bearing liabilities		200,000	-
Repayment of interest bearing liabilities		(200,000)	-
Net cash used in financing activities		-	(118,636)
Net increase/(decrease) in cash and cash equivalents		1,361,269	(440,252)
Cash and cash equivalents at 1 January 2021		30,963	471,215
Cash and cash equivalents at 31 December 2021	5a	1,392,232	30,963

The notes on pages 11 to 46 are an integral part of these financial statements.

Index to the Notes of the Financial Statements

Notes

Notes of the Financial Statements

Note 1. Summary of significant accounting policies

1.1 Basis of preparation of the financial statements

The financial statements are general purpose financial statements and have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that apply for the reporting period, and the Fair Work (Registered Organisation) Act 2009 (**RO Act**). For the purpose of preparing the general purpose financial statements, the Print and Visual Communication Association is a not-for-profit entity.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost, except for certain assets and liabilities measured at fair value, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

1.2 Comparative amounts

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

1.3 Significant accounting judgements and estimates

The committee of management evaluates estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the entity.

Key estimates

Impairment

The freehold land and buildings and investment properties were independently valued at the start of 2022. Fair value of the properties was determined by using market comparable method. The valuations performed by the valuers were based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property.

At 31 December 2021, the committee of management reviewed the key assumptions made by the valuers in 2021. They have concluded that these assumptions remain materially unchanged and are satisfied that carrying amount does not exceed the recoverable amount of land and buildings and investment property at 31 December 2021.

Notes of the Financial Statements

1.3 Significant accounting judgements and estimates (continued)

Useful lives of property, plant and equipment

As described in Note 1.17, the entity reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period.

Key judgements

Employee benefits

For the purpose of measurement, AASB 119: Employee Benefits defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. The entity expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

1.4 New Australian Accounting Standards

Adoption of New Australian Accounting Standard requirements
No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year except for the following standards and amendments, which have been adopted for the first time this financial year:

AASB 2020-4 Amendments to AASs – Covid-19-Related Rent Concessions

These amendments provide relief to lessees from applying AASB 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under AASB 16 Leases, if the change were not a lease modification.

The amendment had no impact on the financial statements of Print and Visual Communication Association.

Future Australian Accounting Standards Requirements

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the reporting entity for the annual reporting period ended 31 December 2021. The impact of these new or amended Accounting Standards and Interpretations is not expected to be significant on the reporting entity.

Notes of the Financial Statements

1.5 Current versus non-current classification

Print and Visual Communication Association presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Print and Visual Communication Association classifies all other liabilities as non-current.

1.6 Revenue

Print and Visual Communication Association enters into various arrangements where it receives consideration from another party. These arrangements include consideration in the form of membership subscriptions, grants and other income.

The timing of recognition of these amounts as either revenue or income depends on the rights and obligations in those arrangements.

Revenue from contracts with customers

Where Print and Visual Communication Association has a contract with a customer, it recognises revenue when or as it transfers control of goods or services to the customer. Print and Visual Communication Association accounts for an arrangement as a contract with a customer if the following criteria are met:

- the arrangement is enforceable; and

Notes of the Financial Statements

1.6 Revenue (continued)

- the arrangement contains promises (that are also known as performance obligations) to transfer goods or services to the customer (or to other parties on behalf of the customer) that are sufficiently specific so that it can be determined when the performance obligation has been satisfied.

Membership subscriptions

For membership subscription arrangements that meet the criteria to be contracts with customers, revenue is recognised when the promised goods or services transfer to the customer as a member of Print and Visual Communication Association.

Print and Visual Communication Association recognises revenue as the membership service is provided, which is typically based on the passage of time over the subscription period to reflect Print and Visual Communication Association promise to stand ready to provide assistance and support to the member as required.

For member subscriptions paid annually in advance, Print and Visual Communication Association has elected to apply the practical expedient to not adjust the transaction price for the effects of a significant financing component because the period from when the customer pays and the good or services will transfer to the customer will be one year or less.

When a member subsequently purchases additional goods or services from Print and Visual Communication Association at their standalone selling price, Print and Visual Communication Association accounts for those sales as a separate contract with a customer.

Income of Print and Visual Communication Association as a Not-for-Profit Entity

Consideration is received by Print and Visual Communication Association to enable the entity to further its objectives. Print and Visual Communication Association recognises each of these amounts of consideration as income when the consideration is received (which is when Print and Visual Communication Association obtains control of the cash) because, based on the rights and obligations in each arrangement:

- the arrangements do not meet the criteria to be contracts with customers because either the arrangement is unenforceable or lacks sufficiently specific promises to transfer goods or services to the customer; and
- Print and Visual Communication Association recognition of the cash contribution does not give rise to any related liabilities.

Print and Visual Communication Association receives cash consideration from the following arrangements whereby that consideration is recognised as income upon receipt:

- government grants.

Volunteer services

Print and Visual Communication Association receives volunteer services. In those circumstances where the fair value of the volunteer services can be measured reliably, Print and Visual Communication Association recognises the fair value of volunteer services received as income together with a corresponding expense where the economic benefits of the volunteer services

Notes of the Financial Statements

Volunteer services (continued)

are consumed as the services are acquired. Where the volunteer services contribute to the development of an asset, the fair value is included in the carrying amount of that asset.

During the year, Print and Visual Communication Association did not recognise any volunteer services as revenue because it could not reliably measure the fair value of those services.

Interest income

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

Rental income

Leases in which Print and Visual Communication Association as a lessor, do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the relevant lease term.

1.7 Gains

Sale of assets

An item of property, plant and equipment is derecognised upon disposal (which is at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognised.

1.8 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and termination benefits when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities for short-term employee benefits (as defined in AASB 119 Employee Benefits) and termination benefits which are expected to be settled within twelve months of the end of reporting period are measured at their nominal amounts. The nominal amount is calculated with regard to the rates expected to be paid on settlement of the liability

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Notes of the Financial Statements

1.9 Leases

Print and Visual Communication Association assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Print and Visual Communication Association as a lessee

Print and Visual Communication Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Print and Visual Communication Association recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

Print and Visual Communication Association recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	2021	2020
Buildings	2 years	2 years

If ownership of the leased asset transfers to Print and Visual Communication Association at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

1.10 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 reporting 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

Notes of the Financial Statements

Lease liabilities (continued)

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.

1.11 Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

1.12 Cash

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts.

1.13 Financial instruments

Financial assets and financial liabilities are recognised when the reporting entity becomes a party to the contractual provisions of the instrument.

1.14 Financial assets

Initial recognition and measurement
Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Print and Visual Communication Association's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Print and Visual Communication Association initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Print and Visual Communication Association's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Print and Visual Communication Association commits to purchase or sell the asset.

Notes of the Financial Statements

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through other comprehensive income
- Investments in equity instruments designated at fair value through other comprehensive income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss

Financial assets at amortised cost
The Print and Visual Communication Association measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Print and Visual Communication Association's financial assets at amortised cost includes trade and other receivables.

Financial assets at fair value through profit or loss (including designated)
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Derecognition
A financial asset is derecognised when:

- The rights to receive cash flows from the asset have expired or

Notes of the Financial Statements

- The Print and Visual Communication Association has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  a) the Print and Visual Communication Association has transferred substantially all the risks and rewards of the asset, or
  b) the Print and Visual Communication Association has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Print and Visual Communication Association has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Print and Visual Communication Association continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

Offsetting
Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment

Trade receivables
For trade receivables that do not have a significant financing component, the Print and Visual Communication Association applies a simplified approach in calculating expected credit losses (ECLs) which requires lifetime expected credit losses to be recognised from initial recognition of the receivables.

Therefore, the Print and Visual Communication Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Print and Visual Communication Association has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

ECLs are recognised in two stages:

- Where there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses from possible default events within the next 12-months (a 12-month ECL).
- Where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the debt, irrespective of the timing of the default (a lifetime ECL).

Notes of the Financial Statements

The Print and Visual Communication Association considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Print and Visual Communication Association may also consider a financial asset to be in default when internal or external information indicates that the Print and Visual Communication Association is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1.15 Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, at amortised cost unless designated at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Print and Visual Communication Association financial liabilities include trade and other payables and lease liabilities.

Subsequent measurement

Financial liabilities at fair value through profit or loss (including designated)
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in AASB 9 are satisfied.

Financial liabilities at amortised cost
After initial recognition, trade payables and interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Notes of the Financial Statements

1.16 Contingent liabilities and contingent assets

Contingent liabilities and contingent assets are not recognised in the Statement of Financial Position but are reported in the relevant notes. They may arise from uncertainty as to the existence of a liability or asset or represent an existing liability or asset in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain, and contingent liabilities are disclosed when settlement is greater than remote.

1.17 Land, buildings, plant and equipment

Asset recognition threshold
Purchases of land, buildings, plant and equipment are recognised initially at cost in the Statement of Financial Position. The initial cost of an asset includes an estimate of the cost of dismantling and removing the item and restoring the site on which it is located.

Revaluations — land and buildings
Following initial recognition at cost, land and buildings are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the profit or loss except to the extent that they reverse a previous revaluation increment for that class. Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset is restated to the revalued amount.

Depreciation
Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful life using, in all cases, the straight line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2021	2020
Land & buildings	**40 years**	40 years
Plant and equipment	**5 to 13 years**	5 to 13 years

De-recognition
An item of land, buildings, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit and loss.

Notes of the Financial Statements

1.18 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. Gains and losses arising from changes in the fair value of investment properties are included in profit and loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

1.19 Intangibles

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. The useful life of the Print and Visual Communication Association intangible assets are:

	2021	2020
Intangibles	**3 to 5 years**	3 to 5 years

De-recognition
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit and loss when the asset is derecognised.

1.20 Impairment of non-financial assets

All assets are assessed for impairment at the end of each reporting period to the extent that there is an impairment trigger. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the Print and Visual Communication Association were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Notes of the Financial Statements

1.21 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs of disposal.

1.22 Taxation

The Print and Visual Communication Association is exempt from income tax under section 50.1 of the Income Tax Assessment Act 1997 however still has obligation for Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of GST except:
- where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- for receivables and payables.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the Australian Taxation Office is classified within operating cash flows.

1.23 Fair value measurement

The Print and Visual Communication Association measures financial instruments, such as, financial asset as at fair value through the profit and loss, financial assets at fair value through OCI, and non-financial assets such as land and buildings and investment properties, at fair value at each balance sheet date. Also, fair values of financial instruments measured at amortised cost are disclosed in Note 16a.

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Print and Visual Communication Association. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Print and Visual Communication Association uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Print and Visual Communication Association determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings and investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. For the purpose of fair value disclosures, the Print and Visual Communication Association has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

1.24 Investment in associates and joint arrangements

An associate is an entity over which Print and Visual Communication Association has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

A joint operation is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the individual assets and obligations for the liabilities of the joint operation.

The results and assets and liabilities of associates and its joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with AASB 5 Non-current Asset Held for Sale and Discontinued Operations. Under the equity method, an investment in an associate or joint venture is initially recognised in the statement of financial position at cost and

Notes of the Financial Statements

Investment in associates and joint arrangements (continued)

adjusted thereafter to recognise the share of the profit or loss and other comprehensive income of the associate. When the share of losses of an associate or joint venture exceeds the interest in that associate, Print and Visual Communication Association discontinues recognising its share of further losses. Additional losses are recognised only to the extent that it has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Any excess of the cost of acquisition over the share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Note 2. Events after the reporting period

At the date of authorisation of the financial report the reporting entity is continuing to monitor and respond to the effects of the COVID-19 virus. Any further potential financial effect of the virus is unknown.

No other events that occurred after 31 December 2021, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Print and Visual Communication Association.

Notes of the Financial Statements

Note 3. Income

Disaggregation of revenue from contracts with customers
A disaggregation of Print and Visual Communication Association's revenue by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of revenue by type of customer:

	2021	2020
Type of customer		
Members	**398,504**	495,841
Total revenue from contracts with customers	**398,504**	495,841

Disaggregation of income for furthering activities
A disaggregation of Print and Visual Communication Association's income by type of arrangement is provided on the face of the Statement of Comprehensive Income. The table below also sets out a disaggregation of income by funding source:

Income by funding source		
Government	**-**	100,000
Total revenue from contracts with customers	**-**	100,000

3a - Capitation fees and other revenue from another reporting unit		
Capitation fees	**-**	-
Other revenue from another reporting unit	**-**	-
	-	-

3b – Levies

Levies	**-**	-

3c - Interest

Deposits	**227**	1,062

3d – Rental revenue

Properties	**105,027**	216,480

3e - Grants or donations		
Grants – Cash flow boost	**-**	100,000
Donation	**-**	-
Total grants or donations	**-**	100,000

Notes of the Financial Statements

Note 3. Income (continued)

	2021	2020
3f - Other income		
Sponsorship	46,250	45,000
Sustainable Green Print	12,660	5,396
Directors fees	16,890	40,916
Sundry	585	-
Total other income	76,385	91,312
3g – Gain on revaluation of investment property		
Gain on revaluation of investment property	-	-
3h – Revenue from recovery of wage activity		
Amounts recovered from employees in respect of wages	-	-
Interest received on recovered money	-	-
Total revenue from recovery of wages activity	-	-

Note 4. Expenses

	2021	2020
4a - Employee expenses		
Holders of office:	-	-
Employees other than office holders:		
Wages and salaries	125,656	378,533
Superannuation	11,954	35,489
Leave and other entitlements	(57,761)	35,772
Separation and redundancies	6,346	10,569
Recruitment	375	-
Other employee expenses	(2,992)	1,937
Subtotal employee expenses other than office holders	83,578	462,300
Total employee expenses	83,578	462,300
4b - Capitation fees and other expense to another reporting unit		
Capitation fees	-	-
Other expense to another reporting unit	-	-
	-	-

Notes of the Financial Statements

Note 4. Expenses (continued)

4c - Affiliation fees

	2021	2020
Associations Forum	1,655	1,697
Australian Chamber of Commerce and Industry	10,000	40,000
Australian Institute of Company Directors	-	550
Australian Packaging Covenant	200	100
Intergraf	3,383	3,384
Other	-	495
Victorian Congress of Employer Association	-	1,000
Total affiliation fees	15,238	47,226

4d - Administration expenses

	2021	2020
Total paid to employers for payroll deductions of membership subscriptions	-	-
Compulsory levies	-	-
Fees/allowances - meeting and conferences	-	-
Accounting & Bookkeeping fees	48,800	25,731
Bad debts	-	935
Conference and meeting expenses - staff	742	349
Board meeting expenses	3,657	3,797
Contractors and consultants	116,577	235,946
Property expenses	61,362	73,763
Office expenses	33,243	77,296
Repairs and maintenance	2,166	38,165
Travel	7,226	24,484
Information technology	46,690	117,039
Insurance	17,041	14,879
Subscriptions	9,728	22,563
Entertainment	-	522
Equipment rental	4,899	18,573
Other	53,042	51,789
Subtotal administration expense	405,173	705,831
Operating lease rentals:		
Minimum lease payments	9,001	43,237
Total administration expenses	414,174	749,068

Notes of the Financial Statements

Note 4. Expenses (continued)

	2021	2020
4e - Grants or donations		
Grants:		
Total expensed that were $1,000 or less	-	-
Total expensed that exceeded $1,000	-	-
Donations:		
Total expensed that were $1,000 or less	-	-
Total expensed that exceeded $1,000	-	-
Total grants and donations	-	-
4f - Depreciation and amortisation		
Depreciation		
Land and buildings	-	59,534
Property, plant and equipment	8,019	22,254
Right-of-use assets	-	113,710
Total depreciation	8,019	195,498
Amortisation		
Software and websites	58,081	58,081
Total amortisation	58,081	58,081
Total depreciation and amortisation	66,100	253,579
4g - Finance costs		
Bank charges	4,011	13,936
Interest expense – lease liability	-	2,686
Interest expense - other	70,200	-
	74,211	16,622
4h - Legal costs		
Litigation	-	-
Other legal matters	15,231	778
	15,231	778

Notes of the Financial Statements

Note 4. Expenses (continued)

	2021	2020
4i - Loss on revaluation of investment property		
Loss on revaluation	35,000	-
4j - Net losses from sale of assets		
Investment property	1,295,873	-
4k - Other expenses		
Penalties - via RO Act or the Fair Work Act 2009	-	-

Notes of the Financial Statements

Note 5. Current assets

	2021	2020
5a - Cash and cash equivalents		
Cash at bank	1,392,232	30,963
5b - Trade and other receivables		
Trade receivables		
Trade receivables	8,121	56,262
Allowance for expected credit losses	-	-
Total trade receivables	8,121	56,262
Other receivables		
Other receivables	-	-
GST receivable	-	9,474
Total other receivables	-	9,474
Total trade and other receivables	8,121	65,736
5c - Other current assets		
Prepayments	5,169	11,467
Regional Activities (PICA / NPA)	-	1,600
Landlord lease incentive receivable	-	-
Rental Property Holding Account	-	-
Accrued interest	55	28
Total other current assets	5,224	13,095
5d - Other investments		
Amortised cost – term deposits	-	-
Total other investments	-	-

Notes of the Financial Statements

Note 6. Non-current assets

	2021	2020
6a - Land and buildings		
Land and buildings:		
At fair value	**1,600,000**	1,600,000
Accumulated depreciation	-	-
Total land and buildings	**1,600,000**	1,600,000

Reconciliation of the Opening and Closing Balances of Land and Buildings:

As at 1 January		
Gross book value	**1,600,000**	1,600,000
Accumulated depreciation and impairment	-	-
Net book value 1 January	**1,600,000**	1,600,000
Additions:		
Revaluation increment recognised in other comprehensive income	-	59,534
By purchase	-	-
Transfer to investment property	-	-
Depreciation expense	-	(59,534)
Net book value 31 December	-	1,600,000
Net book value as of 31 December represented by:		
Gross book value	**1,600,000**	1,600,000
Accumulated depreciation and impairment	-	-
Net book value at 31 December	**1,600,000**	1,600,000

Fair value of the property was determined by using market comparable method. This means that valuation performed by the valuer is based on active market prices, significantly adjusted for the difference in the nature, location or condition of the specific property. As at the date of revaluation, the property's fair values is based on valuation performed by an accredited independent valuer, summarised below.

Details of valuation are as below:

Property at	Valuer	Valuation date	Valuation
Victoria	Hymans Property	1 March 2022	$1,600,000

Notes of the Financial Statements

Note 6. Non-current assets (continued)

6b - Plant and equipment

	2021	2020
Plant and equipment:		
At cost	**308,934**	308,934
Accumulated depreciation	**(276,056)**	(268,037)
	32,878	40,897

Reconciliation of the opening and closing balances of plant and equipment:

	2021	2020
As at 1 January		
Gross book value	**308,934**	308,934
Accumulated depreciation and impairment	**(268,037)**	(245,783)
Net book value 1 January	**40,897**	63,151
Additions:		
By purchase	**-**	-
Transfer to intangible assets	**-**	-
Depreciation expense	**(8,019)**	(22,254)
Disposals	**-**	-
Net book value 31 December	**32,878**	40,897
Net book value as of 31 December represented by:		
Gross book value	**308,934**	308,934
Accumulated depreciation and impairment	**(276,056)**	(268,037)
Gross book value 31 December	**32,878**	40,897

6c – Right-of-use assets

	2021	2020
Right-of-use assets - Building	**-**	-
Accumulated depreciation	**-**	-
	-	-
As at 1 January	**-**	113,711
Depreciation	**-**	(113,711)
As at 31 December	**-**	-

Notes of the Financial Statements

Note 6. Non-current assets (continued)

	2021	2020
6d – Investment property		
Closing balance as at 31 December	**1,515,000**	4,185,900

Reconciliation of the opening and closing balances of investment property:

	2021	2020
Gross book value as at 1 January	**4,185,900**	4,185,900
Additions		
By purchase	-	-
Transfers from property, plant and equipment	-	-
By sale	**(2,635,900)**	-
Revaluation decrement recognised in profit and loss	**(35,000)**	-
Net book value 31 December	**1,515,000**	4,185,900

The valuations were performed by accredited independent valuers with a recognised and relevant professional qualification and with recent experience in the location and category of the investment property being valued, summarised below:

Details of valuation are as below:

Property at	Valuer	Valuation date	Valuation
Queensland	Hymans Property	21 March 2022	$940,000
South Australia	Hymans Property	22 March 2022	$575,000

The fair value of completed investment property has been determined on a market value basis in accordance with International Valuation Standards (IVS), as set out by the International Valuation Standards Council (IVSC). In arriving at their estimates of market values, the valuers have used their market knowledge and professional judgement and not only relied on historical transactional comparables.

Inputs used include price per square metre and capitalisation rate.

The highest and best use of the investment properties is not considered to be different from its current use. During the year and as at the year-end, no restrictions on the realisability of investment property or the remittance of income and proceeds of disposal were present.

Rental income earned and received from the investment properties during the year was $101,574.

Notes of the Financial Statements

Note 6. Non-current assets (continued)

6e - Intangibles

	2021	2020
Software and website:		
At cost	**290,158**	290,158
Accumulated amortisation	**(250,919)**	(192,838)
	39,239	97,320

Reconciliation of the opening and closing balances of intangibles:

	2021	2020
As at 1 January		
Gross book value	**290,158**	290,158
Accumulated amortisation and impairment	**(192,838)**	(134,757)
Net book value 1 January	**97,320**	155,401
Additions:		
By purchase	**-**	-
Transfer from property, plant and equipment	**-**	-
Amortisation expense	**(58,081)**	(58,081)
Net book value 31 December	**39,239**	97,320
Net book value as of 31 December represented by		
Gross book value	**290,158**	290,158
Accumulated depreciation and impairment	**(250,919)**	(192,838)
Net book value 31 December	**39,239**	97,320

Notes of the Financial Statements

Note 6. Non-current assets (continued)

6f - Other non-current assets

	2021	2020
Security deposits	43,595	100,434
Make-good provision	-	-
	43,595	100,434

6g – Investment in joint venture

	2021	2020
Investment in joint venture		
Visual Industries Events	165,405	-
	165,405	-

		Ownership	
		2021	2020
Name of entity	**Principal activity**	%	%
Visual Industries Events	Sponsorship, promotion and running of trade exhibitions as well as the conducting of print events within Australia	50%	-

Summary financial information of joint venture

Statement of financial position	2021	2020
Assets	2,988,848	-
Liabilities	2,658,038	-
Net assets	330,810	-
Statement of comprehensive income		
Income	-	-
Expenses	69,190	-
Net surplus (deficit)	(69,190)	-
Share of net surplus (deficit)	(34,595)	-

Dividends received from associates $nil (2020: not applicable)

Associates had contingent liabilities and capital commitments as at 31 December 2021 of $nil (2020: not applicable)

Notes of the Financial Statements

Note 7. Current liabilities

7a - Trade payables

Trade creditors and accruals	**118,165**	94,915

Settlement is usually made within 30 days.

7b – Other payables

Superannuation	**1,976**	10,609
Group tax and payroll tax	**-**	9,316
Unearned revenue	**196,221**	109,798
GST payable	**147,896**	-
Lease incentive liability	**-**	-
Total other payables - current	**346,093**	129,723

7c - Borrowings

Lease liability – right of use asset	**-**	-
	-	-
As at 1 January	**-**	118,637
Accretion of interest	**-**	2,686
Payments	**-**	(121,323)
As at 31 December	**-**	-

Notes of the Financial Statements

Note 8. Provisions

	2021	2020
8a – Employee provisions		
Office holders:		
Annual leave	-	-
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions – office holders	-	-
Employees other than office holders:		
Annual leave	-	57,760
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions - employees other than office holders	-	57,760
Total employee provisions	-	57,760
Represented as:		
Current	-	57,760
Non-current	-	-
Total employee provisions	-	57,760

Note 9. Non-current liabilities

9a – Other non-current liabilities

Make good provision	-	40,000
Total other non-current liabilities	-	40,000

Notes of the Financial Statements

Note 10. Equity

	2021	2020
10a – Asset revaluation reserve		
Balance as at start of year	**427,692**	368,158
Other comprehensive income	**-**	59,534
Transfer from asset revaluation reserve to retained earnings	**-**	-
Balance as at end of year	**427,692**	427,692

	2021	2020
10b – Retained earnings		
Balance as at start of year	**5,384,255**	6,027,133
Loss for the year	**(1,474,511)**	(642,878)
Transfer to retained earnings from asset revaluation reserve	**-**	-
Balance as at end of year	**3,909,744**	5,384,255

Notes of the Financial Statements

Note 11. Notes to the Statement of Cash Flows

11a - Cash flow reconciliation

	2021	2020
Reconciliation of profit/(deficit) to net cash from operating activities:		
Profit/(deficit) for the year	(1,474,511)	(642,878)
Adjustments for non-cash items:		
Depreciation and amortisation	66,100	253,579
Net (gain)/loss on disposal of property, plant and equipment	1,295,873	-
Revaluation decrement recognised in profit and loss	35,000	-
Share of loss on joint venture operations	34,595	-
Changes in assets/liabilities		
(Increase)/decrease in net receivables	57,615	8,860
(Increase)/decrease in other assets	64,710	155,798
(Increase)/decrease in other payables	113,197	(84,638)
(Increase)/decrease in unearned revenue	86,423	(48,108)
(Increase)/decrease in provisions	(57,760)	35,771
Net cash from (used in) operating activities	221,242	(321,616)

11b - Cash flow information

	2021	2020
Cash inflows - Print and Visual Communication Association	2,460,158	928,302
Cash outflows - Print and Visual Communication Association	(1,098,889)	(1,368,554)

Notes of the Financial Statements

Note 12. Contingent liabilities and commitments

12a - Commitments and contingencies

	2021	2020
Operating lease commitments—as lessee		
Office Equipment leases		
Future minimum rentals payable under non-cancellable operating leases:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
	-	-

Other contingent assets or liabilities

Not applicable.

Notes of the Financial Statements

Note 13. Related party transactions

	2021	2020
13a - Related party disclosures		

The Board members of the Print and Visual Communication Association act in an honorary capacity and receive no remuneration.

Each Board member is a representative of an organisation who is itself, a member of the Print and Visual Communication Association and who pays an annual subscription for that membership under normal commercial conditions.

13b - Key management personnel compensation

	2021	2020
Short-term employee benefits:		
Salary (including annual leave taken)	116,667	329,255
Annual leave accrued	-	18,401
Long service leave paid	-	-
Performance bonus	-	-
Total short-term employee benefits	116,667	347,656
Post-employment benefits:		
Superannuation	11,083	30,275
Total post-employment benefits	11,083	30,275
Other long-term benefits:		
Long-service leave accrued	-	-
Total other long-term benefits	-	-
Termination benefits		
Redundancy	-	-
Total termination benefits	-	-

13c - Transactions with key management personnel and their close family members

	2021	2020
Loans to/from key management personnel	-	-
Other transactions with key management personnel	-	-

Notes of the Financial Statements

Note 14. Remuneration of auditors

	2021	2020
Value of the services provided:		
Financial statement audit services	20,654	18,000
Other services	-	-
Total remuneration of auditors	**20,654**	18,000

No other services were provided by the auditors of the financial statements.

Note 15. Financial instruments

	2021	2020
15a – Categories of financial instruments		
Financial assets		
Cash and cash equivalents	1,392,232	30,963
Investments at amortised cost:		
Term deposits	-	-
Total	**1,392,232**	30,963
Loans and receivables:		
Trade debtors	8,121	56,262
Total	**8,121**	56,262
Carrying amount of financial assets	**1,400,353**	87,225
Financial liabilities		
Trade creditors	118,165	94,915
Lease liability – right of use asset	-	-
Total	**118,165**	94,915
Carrying amount of financial liabilities	**118,165**	94,915

15b - Net income and expense from financial Assets

	2021	2020
Amortised cost:		
Net gain - interest revenue	227	1,062
Loans and receivables:		
Net gain (loss) - impairment for doubtful debts	-	-

Notes of the Financial Statements

Note 15. Financial instruments (continued)

	2021	2020

15c - Credit risk

Credit risk:

The carrying amount of the Print and Visual Communication Association's financial assets represents the maximum credit exposure. The Print and Visual Communication Association's maximum exposure to credit risk at the reporting date was $8,121 (2020: $56,262) the receivables balance as set out in note 5b.

The Committee of Management consider that there is no significant difference between the fair values and book values of the financial assets and liabilities at the balance date.

The Print and Visual Communication Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Print and Visual Communication Association. The Print and Visual Communication Association has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

The Print and Visual Communication Association does not require collateral in respect of financial assets.

15d – Market risk

Market risks generally relate to Interest rate risk

The Print and Visual Communication Association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	2021	2020
Financial assets:		
Cash (2021: -%, 2020: - %)	**1,392,232**	30,963
Receivables	**8,121**	56,262
Investments (2021: N/A, 2020: N/A)	**-**	-
	1,400,353	87,225
Financial liabilities:		
Trade creditors	**118,165**	94,915

Notes of the Financial Statements

Note 16. Fair value measurement

16a - Financial assets and liabilities

Management of the Print and Visual Communication Association assessed that for cash and cash equivalents, trade receivables, investments, trade payables, and other current liabilities, the carrying amounts approximate fair value, because of the short term maturity of these instruments, and therefore fair value information is not included.

16b – Non-Financial assets and liabilities

The Print and Visual Communication Association measures freehold land and buildings at fair value. Revaluations are performed with sufficient frequency such that the carrying amount of assets do not differ materially from those that would be determined using fair values as at the reporting date.

Land and buildings are valued using the fair value hierarchy Level 2. Refer to note 1.23 for the definition of Level 2 and note 6 non-current assets for details on the valuation techniques and inputs.

Note 17. Section 272 Fair Work (Registered Organisations) Act 2009

In accordance with the requirements of the Fair Work (Registered Organisations) Act 2009, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

1) A member of the Print and Visual Communication Association, or the Commissioner, may apply to the Print and Visual Communication Association for specified prescribed information in relation to the Print and Visual Communication Association to be made available to the person making the application.
2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the Print and Visual Communication Association.
3) Print and Visual Communication Association must comply with an application made under subsection (1).

Officer Declaration Statement

I, John Georgantzakos, being the Honorary Treasurer of the Print and Visual Communication Association, declare that the following activities did not occur during the reporting period ending 31 December 2021.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting units and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer:

John Georgantzakos

Honorary Treasurer

30th May 2022

Nexia Sydney Audit Pty Ltd
Level 16, 1 Market Street
Sydney NSW 2000
PO Box H195
Australia Square NSW 1215
p +61 2 9251 4600
f +61 2 9251 7138
e info@nexiasydney.com.au
w nexia.com.au

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PRINT AND VISUAL COMMUNICATION ASSOCIATION

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Print and Visual Communication Association (the Reporting Unit), which comprises the statement of financial position as at 31 December 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, the subsection 255(2A) report, the Committee of Management Statement and the Officer Declaration Statement.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Reporting Unit as at 31 December 2021, and its financial performance and its cash flows for the year ended on that date in accordance with:

a) the Australian Accounting Standards; and

b) any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of the *Fair Work (Registered Organisations) Act 2009* (the RO Act).

We declare that management's use of the going concern basis in the preparation of the financial statements of the Reporting Unit is appropriate.

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 Reporting Unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Information Other than the Financial Report and Auditor's Report Thereon

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is in the Operating Report accompanying the financial report.

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

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 Committee of Management for the Financial Report

The Committee of Management of the Reporting Unit is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the RO Act, and for such internal control as the Committee of Management 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 Committee of Management is responsible for assessing the Reporting Unit's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee of Management either intend to liquidate the Reporting Unit or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objective is 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 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Reporting Unit's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee of Management.

- Conclude on the appropriateness of the Committee of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Reporting Unit's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Reporting Unit to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Reporting Unit to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Reporting Unit audit. We remain solely responsible for our audit opinion.

We communicate with the Committee of Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

I declare that I am an auditor registered under the RO Act.

Nexia Sydney Audit Pty Ltd

Vishal Modi

Vishal Modi
Director

Registration number (as registered by the RO Commissioner under the RO Act): **AA2019/20**

Dated at Sydney this 3rd day of June 2022