

THE AUSTRALIAN INSTITUTE OF ASIAN CULTURE AND VISUAL ARTS LIMITED
(VISASIA)
ACN 086 474 713

ANNUAL REPORT 2010

I certify that this document (numbered pages 1 to 11 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.



Secretary

John Wicks

Dated: 19 October 2010

THE AUSTRALIAN INSTITUTE OF ASIAN CULTURE AND VISUAL ARTS LIMITED
(VISASIA)
ACN 086 474 713

DIRECTORS' STATUTORY REPORT

The directors of The Australian Institute of Asian Culture and Visual Arts Limited present their report for the year ended 30 June 2010.

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 2010 was \$ 95,883
The Company is exempt from income tax.

Information on Directors

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

		Meetings Attended
Dr John Yu, AC - Chairman	Chair, George Institute of International Health	2
Edmund Capon	D.Phil, Director of the Art Gallery of NSW	2
Stephen Menzies	Partner, Blake Dawson Waldron	2
Jackie Menzies	Head Curator of Asian Art, AGNSW	2
Sandra Forbes	Editor and Publishing Consultant	1
Warwick Johnson	Investment Manager, Optimal Fund Management	2
Philip Cox	Director, The Cox Group Pty Ltd	0
Steve Burdon	Director, Criteria Research Pty Ltd	1
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:

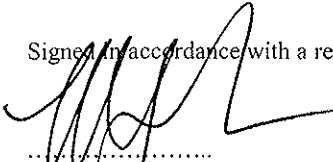
- * indemnified or made any relevant agreement for indemnifying against a liability incurred as officer, including costs and expenses in successfully defending legal proceedings; or
- * paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the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

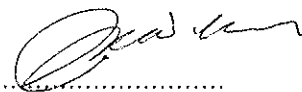
Directors' benefits

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 page.

Signed in accordance with a resolution of the Board of Directors


.....
WARWICK JOHNSON
DIRECTOR


.....
DR JOHN YU, AC
CHAIRMAN

Dated: 19 October 2010



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 2010, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the 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 Services

19 October 2010
SYDNEY

THE AUSTRALIAN INSTITUTE OF ASIAN CULTURE AND VISUAL ARTS LIMITED
(VISASIA)
ACN 086 474 713

DIRECTORS' STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

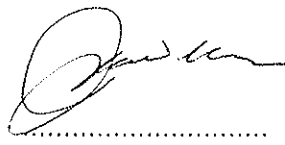
STATEMENT IN ACCORDANCE WITH SECTION 41C(1C) OF THE PUBLIC FINANCE AND AUDIT ACT, 1983

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 2010 and the operations for the year then ended;
- (c) At the date of signing we are not aware of circumstances that would render the financial statements misleading or inaccurate;



.....
WARWICK JOHNSON
DIRECTOR



.....
DR JOHN YU, AC
CHAIRMAN

Dated: 19 October 2010

THE AUSTRALIAN INSTITUTE OF ASIAN CULTURE AND VISUAL ARTS LIMITED
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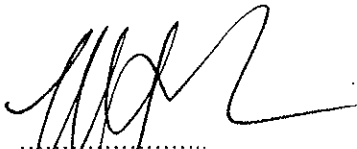
DIRECTORS' DECLARATION

The directors declare that:

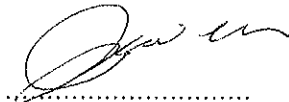
- (a) the attached financial statements and notes thereto comply with Australian Accounting Standards and other mandatory professional reporting requirements;
- (b) the attached financial statements and notes thereto give a true and fair view of the financial position and performance of the company;
- (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,



.....
WARWICK JOHNSON
DIRECTOR



.....
DR JOHN YU, AC
CHAIRMAN

Dated: 19 October 2010

THE AUSTRALIAN INSTITUTE OF ASIAN CULTURE AND VISUAL ARTS LIMITED
(VISASIA)
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2010

	Note	2010 \$	2009 \$
Revenue			
Donations		217,400	152,300
Sponsorship - Cash		-	30,000
Interest revenue		53,820	62,956
Total revenue		<u>271,220</u>	<u>245,256</u>
Expenses			
Audit fees - audit of financial statements	2	5,250	5,250
Grants and contributions - to Art Gallery of NSW		170,000	210,000
Other costs (ASIC fees, bank fees, other)		87	90
Total expenses		<u>175,337</u>	<u>215,340</u>
SURPLUS FOR THE YEAR		<u>95,883</u>	<u>29,916</u>
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>95,883</u>	<u>29,916</u>

The accompanying notes form part of these statements

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

	Note	2010 \$	2009 \$
Current Assets			
Cash and cash equivalents	3 (a)	1,289,889	1,198,241
Trade and other receivables	3 (b)	8,755	5,518
Total Current Assets		<u>1,298,644</u>	<u>1,203,759</u>
TOTAL ASSETS		<u>1,298,644</u>	<u>1,203,759</u>
Current Liabilities			
Trade and other payables	3 (c)	5,252	6,250
Total Current Liabilities		<u>5,252</u>	<u>6,250</u>
TOTAL LIABILITIES		<u>5,252</u>	<u>6,250</u>
NET ASSETS		<u>1,293,392</u>	<u>1,197,509</u>
Equity			
Accumulated funds		1,293,392	1,197,509
TOTAL EQUITY		<u>1,293,392</u>	<u>1,197,509</u>

The accompanying notes form part of these statements

THE AUSTRALIAN INSTITUTE OF ASIAN CULTURE AND VISUAL ARTS LIMITED
(VISASIA)
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

	Accumulated Funds 2010 \$	Accumulated Funds 2009 \$
Balance at the beginning of the financial year	1,197,509	1,167,593
Surplus for the year	95,883	29,916
Balance at the end of the financial year	1,293,392	1,197,509

The accompanying notes form part of these statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	Note	\$	\$
Cash flows from operating activities			
Receipts			
Donations received		217,400	152,300
Sponsorship - Cash		-	30,000
Interest received		50,583	68,815
Total Receipts		267,983	251,115
Payments			
Grants and contributions - to Art Gallery of NSW		(170,000)	(210,000)
Payments to suppliers		(6,335)	(4,340)
Total Payments		(176,335)	(214,340)
Net Cash Flow from Operating activities		91,648	36,775
Net increase in Cash & Cash Equivalents		91,648	36,775
Opening balance cash & cash equivalents		1,198,241	1,161,466
Closing Balance Cash & Cash equivalents	3(a)	1,289,889	1,198,241

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

Surplus for the year	95,883	29,916
(Increase) decrease in trade and other receivables	(3,237)	5,859
Increase (decrease) in trade and other payables	(998)	1,000
Net cash flows from operating activities	91,648	36,775

The accompanying notes form part of these statements

THE AUSTRALIAN INSTITUTE OF ASIAN CULTURE AND VISUAL ARTS LIMITED
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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 19 October 2010.

(b) Basis of Preparation

The VisAsia's financial statements is a general purpose statement, 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. Visasia has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective from the current annual reporting period.

The following is an explanation of the impact the adoption of these Standards and Interpretations has had on the financial statements of Visasia.

AASB 101: Presentation of Financial Statements

In September 2007, the AASB revised AASB 101 and as a result there have been changes to the presentation and disclosure of certain information within the financial statements.

Disclosure Impact

Terminology changes: The revised version of AASB 101 contains a number of terminology changes, including the amendments of the names of the primary financial statements.

Reporting changes in equity

The revised AASB 101 requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from the non-owner changes in equity.

Statement of comprehensive income

The revised AASB 101 requires all income and expenses to be presented in either in one statement - the '*statement of comprehensive income*' or two statements a separate '*income statement*' and a '*statement of comprehensive income*'. The previous version of AASB 101 required only the presentation of a single '*income statement*'.

Visasia's financial statements now contain a '*statement of comprehensive income*'.

THE AUSTRALIAN INSTITUTE OF ASIAN CULTURE AND VISUAL ARTS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Other comprehensive income

The revised version of AASB 101 introduces the concept of 'other comprehensive income' which comprises of income and expenses that are not recognised in profit or loss as required by other Australian Accounting Standards. Items of other comprehensive income are to be disclosed in the 'statement of comprehensive income'. Entities are required to disclose income tax relating to each component of other comprehensive income. The previous version of AASB 101 did not contain an equivalent concept.

(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 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.

(i) *Cash*

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

(ii) *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.

(iii) *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.

(iv) *Trade and Other Payables*

The amounts represent liabilities for goods and services provided to 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.

THE AUSTRALIAN INSTITUTE OF ASIAN CULTURE AND VISUAL ARTS LIMITED

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Risk Management of Financial Assets

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 Finance Committee/Board during 2009/10. The Policy is reviewed annually by the Art Gallery's Audit and Risk Committee.

Credit risk arises when there is the possibility of 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 VisAsia. 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.

Liquidity risk is the risk that VisAsia will be unable to meet its payment obligations when they fall due. VisAsia continuously manages this risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. 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.

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

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

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 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.

De- recognition 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 VisAsia transfers the financial asset where substantially all the risks and rewards have been transferred or where VisAsia has not transferred substantially all the risks and rewards, if the entity has not retained control. Where VisAsia has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of 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.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

2 Audit Fees

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

	2010 \$	2009 \$
3 Financial Instruments		
a) Current Assets - Cash and Cash Equivalents		
Cash at bank - at variable interest rate	189,889	33,241
Short term deposits - less than 12 months	1,100,000	1,165,000
	1,289,889	1,198,241

For the purpose of the Statement of Cash Flows, 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 2010 is 4.3% (2009 - 5.3%).

b) Current Assets - Trade and Other Receivables

Accrued interest - not past due	8,755	5,518
	8,755	5,518

c) Current Liabilities - Trade and Other Payables

Creditors - non-interest bearing	5,252	6,250
	5,252	6,250

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 Art Gallery policy and risk management practices.

5 Contingent Liabilities

There were no material contingent liabilities as at 30 June 2010 (2009 - Nil).

6 Commitments for Expenditure

There were no outstanding capital and expenditure commitments as at 30 June 2010 (2009 - 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.

The VisAsia's contribution to the Art Gallery of NSW in 2009-10 was \$170,000 (2009 \$210,000).

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 2010 the number of members was (9) nine.

END OF AUDITED FINANCIAL STATEMENTS