Fair Work Commission

14 August 2024

Kirsty Woodhead
Honorary Secretary
Visual Media Association
Sent via email: kirsty@breenprinting.com.au
CC: vmodi@nexiasydney.com.au

Dear Kirsty Woodhead

Visual Media Association
Financial Report for the year ended 31 December 2023 – (FR2023/224)

I acknowledge receipt of the financial report for the year ended 31 December 2023 for the Visual Media Association. The documents were lodged with the Fair Work Commission (the Commission) on 31 July 2024. I also acknowledge the receipt of the amended designated officer's certificate on 8 August 2024.

The financial report has now been filed. The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under sections 253, 265, 266 and 268 of the *Fair Work (Registered Organisations) Act 2009* (RO Act) have been satisfied, all documents required under section 268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

I make the following comments to assist you when you next prepare a financial report:

You must rotate your registered auditor

Correspondence was provided to the reporting unit on 15 December 2023, which alerted you that your registered auditor is approaching their statutory limit on how many consecutive financial years they are permitted to audit your financial report. The financial report lodged identifies that Vishal Modi was the reporting unit's registered auditor for this financial year. Our records indicate that you have now used your current registered auditor for five consecutive financial years, which is the statutory limit under section 256A.

Please ensure that Vishal Modi is not assigned to audit the financial report of the reporting unit for at least the following two financial years. Further information on the rotation of registered auditor requirement can be found via this link.

You are not required to take any further action in respect of the report lodged. The Commission will confirm these concerns have been addressed prior to filing next year's report.

Please note that the financial report for the year ending 31 December 2024 may be subject to an advanced compliance review.

Reporting Requirements

The Commission's website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the section 253 reporting guidelines and a model set of financial statements.

The Commission recommends that reporting units use these model financial statements to assist in complying with the RO Act, the section 253 reporting guidelines and Australian Accounting Standards. Access to this information is available via this link.

If you have any queries regarding this letter, please call 1300 341 665 or email regorgs@fwc.gov.au.

Yours sincerely

Fair Work Commission

Visual Media Association
Section.268 *Fair Work (Registered Organisations) Act* 2009

CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER
Certificate for the year ended 31 December 2023

I, Kirsty Woodhead, being the Honorary Secretary of the Print and Visual Communication Association certify:

> that the documents lodged herewith are copies of the full report for the Visual Media Association for the period ended 31 December 2023 referred to in s.268 of the *Fair Work (Registered Organisations) Act* 2009 (the "Act"); and

> that the full report was provided to the members of the reporting unit on 9 July 2024 in accordance with s.265 of the Act; and

> that the full report was presented to an annual general meeting of members of the reporting unit on 31 July 2024 in accordance with s.266 of the Act.

Signature: ………………………………………………

Kirsty Woodhead
VMA Honorary Secretary

Date: 8 August 2024

EXPENDITURE REPORT

For the year ended 31 December 2023

The Committee of Management presents its report on the Visual Media Association ("the Association") for the year ended 31 December 2023.

Categories of expenditures	2023 | $	2022 | $
Advertising	16,859	-
Donations to political parties	-	-
Renumeration - and other employment-related costs and expenses - employees	228,228	56,297
Operating costs	1,210,664	510,192
Legal costs	1,310	2,120

The Committee of Management presents the expenditure report as required under subsection 255(2A) on the Visual Media Association for the year ended 31 December 2023.

Signature of prescribed designated officer:

[redacted]

Rodney Frost

Honorary Treasurer
1 July 2024

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

OPERATING REPORT

For the year ended 31 December 2023

The Committee of Management presents its operating report on the Visual Media Association ("the Association") of Australia for the year ended 31 December 2023.

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 Visual Media Association continued to assist its members with specialty services, advice, support and representation. As a result of these activities, the Visual Media Association generated a surplus of $80,546 during the year. There were no significant changes in the nature of the activities of the Visual Media Association during the year.

Significant changes in financial affairs

During the year, the Association has changed its name from Print and Visual Communication Association and is now operating as Visual Media Association.

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

1) A member of the Visual Media Association may resign by written notice addressed and delivered to a person designated for the purpose in the rules of the 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 Association, after the notice is received by the 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 Visual Media Association in relation to a period before the member's resignation from the Visual Media Association took effect, may be sued for and recovered in the name of the Visual Media Association, in a court of a competent jurisdiction as a debt due to the Visual Media Association.

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

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

6) A resignation from membership of the Visual Media 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.

OPERATING REPORT (CONTINUED)

For the year ended 31 December 2023

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 Visual Media 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 Visual Media Association and is a director of a company that is a trustee of Media Super, a superannuation entity.

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

Number of members

There were 906 members recorded in the register of members and who are taken as members at the end of the financial year.

Number of employees

There were 2 employees of the Visual Media Association at the end of the financial year.

OPERATING REPORT (CONTINUED)

For the year ended 31 December 2023

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	Resigned	Board Meetings A	Board Meetings B
John Georgantzakos	31 December 2023	6	11
Kevin Pidgeon	-	10	11
Tom Eckersley	-	11	11
Walter Kuhn	31 December 2023	9	11
Stuart Fysh	-	10	11
Nick Tuit	-	11	11
Matt Aiken	-	8	11
Rodney Frost	-	10	11
Simon Carmody	31 December 2023	2	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:

[redacted]

Rodney Frost

Honorary Treasurer
1 July 2024

COMMITTEE OF MANAGEMENT STATEMENT

For the year ended 31 December 2023

On 1 July 2024, the Committee of Management of the Visual Media Association passed the following resolution in relation to the general purpose financial report (GPFR) for the year ended 31 December 2023:

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 Visual Media Association for the financial year to which they relate;

(d) there are reasonable grounds to believe that the Visual Media 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 Visual Media 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 Visual Media 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 Visual Media 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.

On behalf of the directors

[redacted]

Rodney Frost

Honorary Treasurer
1 July 2024

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

Revenue	Note	2023 | $	2022 | $
Revenue from contracts with customers			
Membership subscriptions		**692,642**	458,822
Sponsorships		**332,049**	-
Events and Awards		**199,391**	-
Total revenue from contracts with customers		**1,224,622**	458,822
Other income			
Interest	3c	**34,610**	840
Rental revenue	3d	**122,917**	93,211
Other income	3f	**54,456**	12,832
Contributions received - Real Media Collective		**142,066**	90,000
Share of net profit of joint venture	11	**(38,109)**	213,528
Total other income		**315,940**	410,411
Income for furthering objectives			
Grants and/or donations	3e	**-**	-
Total income for furthering objectives		**-**	-
Total income		**1,540,562**	869,233
Expenses			
Employee expenses	4a	**228,228**	56,297
Affiliation fees	4c	**-**	2,677
Administration expenses	4j	**1,185,830**	491,071
Depreciation and amortisation	4e	**2,955**	35,695
Finance costs	4f	**2,354**	2,444
Legal costs	4g	**1,310**	2,120
Audit fees		**18,500**	14,000
Loss on revaluation of investment property	4h	**-**	-
Loss on sale of assets	4i	**20, 839**	8,808
Total expenses		**1, 460,016**	613,112
Surplus / (Deficit) for the year		**80, 546**	256,121
Other comprehensive income			
Other comprehensive income		-	-
Total comprehensive income (loss) for the year		**80, 546**	256,121

The above statement of comprehensive income should be read in conjunction with the accompanying notes

STATEMENT OF FINANCIAL POSITION

For the year ended 31 December 2023

Assets	Note	2023 | $	2022 | $
Current assets			
Cash and cash equivalents	5	**1,711,993**	1,340,167
Trade and other receivables	6	**175,456**	40,750
Other current assets	7	**12,277**	5,572
Total current assets		**1,899,726**	1,386,489
Non-current assets			
Property, plant and equipment	8	**43,333**	1,626,960
Intangibles	9	**-**	654
Investment properties	10	**3,115,000**	1,515,000
Investments in joint venture	11	**203,456**	241,565
Right-of-use assets	12	**-**	-
Other	13	**-**	4,518
Total non-current assets		**3,361,789**	3,388,697
Total assets		**5,261,515**	4,775,186
Liabilities			
Current liabilities			
Trade payables	14	**27,906**	79,255
Other payables	15	**56,465**	7,574
Lease liabilities	16	**-**	-
Deferred revenue	17	**475,077**	83,961
Provisions	18	**8,105**	10,839
Total current liabilities		**567,553**	181,629
Non-current liabilities			
Provisions	19	**-**	-
Security deposits		**19,859**	-
Total non-current liabilities		**19,859**	-
Total liabilities		**587,412**	181,629
Net assets		**4,674,103**	4,593,557
Equity			
Reserves		**427,692**	427,692
Retained profits		**4,246,411**	4,165,865
Total equity		**4,674,103**	4,593,557

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

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Asset revaluation reserve	Retained earnings	Total Equity
Balance as at 1 January 2022	427,692	3,909,744	4,337,436
Profit after income tax expense for the year	-	256,121	256,121
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	256,121	256,121
Balance as at 31 December 2022	**427,692**	**4,165,865**	**4,593,557**
Balance as at 1 January 2023	427,692	4,165,865	4,593,557
Profit after income tax expense for the year	-	80,546	80,546
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	80,546	80,546
Closing balance as at 31 December 2023	**427,692**	**4,246,411**	**4,674,103**

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

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Statement of Cash Flows	Note	2023 | $	2022 | $
Cash flows from operating activities			
Receipts from customers		**1,939,407**	717,039
Payments to suppliers		**(1,600,510)**	(766,740)
Net interest received/(paid)		**34,610**	(2,364)
Net cash from (used in) operating activities	20	**373,507**	(52,065)
Cash flows from investing activities			
Payments for property, plant and equipment	8	**(2,773)**	-
Proceeds from disposal of property, plant and equipment		**1,092**	-
Net cash from (used in) investing activities		**(1,681)**	-
Net cash used in financing activities		**-**	-
Net increase/(decrease) in cash and cash equivalents		**371,826**	(52,065)
Cash and cash equivalents at the beginning of the financial year		**1,340,167**	1,392,232
Cash and cash equivalents at the end of the financial year	5	**1,711,993**	1,340,167

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

Visual Media Association

Index to the Notes of the Financial Statements

NOTES

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies

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 Visual Media 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.

Comparative amounts

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

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 in 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 2023, the committee of management reviewed the key assumptions made by the valuers. 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 2023.

Useful lives of property, plant and equipment

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.

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

New Australian Accounting Standards

Adoption of New Australian Accounting Standards and amendments

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 amendments to accounting standards and other changes in accounting policy, which have been adopted for the first time this financial year:

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates

This standard amends:

a) AASB 7 Financial Instruments: Disclosures, to clarify that information about measurement bases for financial instruments is expected to be material to an entity's financial statements;

b) AASB 101 Presentation of Financial Statements, to require entities to disclose their material accounting policy information rather than their significant accounting policies;

c) AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, to clarify how entities should distinguish changes in accounting policies and changes in accounting estimates;

d) AASB 134 Interim Financial Reporting to identify material accounting policy information as a component of a complete set of financial statements; and

e) AASB Practice Statement 2, to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Additional conforming amendments to AASB 1049, AASB 1054, and AASB 1060 were made by AASB 2021-6.

The amendments had no impact on the financial statements of the Association.

Disclosure of Accounting Policies

Effective for annual periods starting on or after 1 January 2023, AASB 101 Presentation of Financial Statements (AASB 101) has been amended to replace the requirement for entities to disclose their 'significant accounting policies' with a requirement to disclose 'material accounting policy information' (AASB 101.117). The explicit requirement to disclose measurement bases has also been removed.

The amendments have had an impact on the Association's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Association's financial statements.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

Future Australian Accounting Standards Requirements

The standard, amendments or interpretations that are issued but not yet effective for annual reporting periods ending 31 December 2023 that are more likely to be relevant to reporting units are as follows:

AASB 2014–10 Amendments to AASs – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and AASB 2021–7 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

The amendments to AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates and Joint Ventures clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in AASB 3 Business Combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. This Standard applies to annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

The Association does not expect the adoption of this amendment to have a material impact on its financial statements.

AASB 2020–1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current

This Standard amends AASB 101 Presentation of Financial Statements (AASB 101) to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. For example, the amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. This Standard, as amended by AASB 2022–6 (refer below) applies to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted.

The Association does not expect the adoption of this amendment to have a material impact on its financial statements.

Current versus non-current classification

Visual Media 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.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

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.

Visual Media Association classifies all other liabilities as non-current.

Revenue

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

- the arrangement is enforceable; and
- 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 the Association.

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

For member subscriptions paid annually in advance, Visual Media 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 Visual Media Association at their standalone selling price, Visual Media Association accounts for those sales as a separate contract with a customer.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

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

Consideration is received by Visual Media Association to enable the entity to further its objectives. Visual Media Association recognises each of these amounts of consideration as income when the consideration is received (which is when Visual Media 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
- Visual Media Association recognition of the cash contribution does not give rise to any related liabilities.

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

Volunteer services

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

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

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.

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.

Leases

Visual Media 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.

Visual Media Association as a lessee

Visual Media Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Visual Media 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

Visual Media 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.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

Right-of-use assets (continued)

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:

	2023	2022
Buildings	2 years	2 years

If ownership of the leased asset transfers to Visual Media 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.

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 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.

Borrowing costs

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

Cash

Cash is recognised at its nominal amount. Cash and cash equivalents include cash at bank and term deposits.

Financial instruments

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

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

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 Association's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Visual Media 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 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 Visual Media Association commits to purchase or sell the asset.

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 Visual Media 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 Association's financial assets at amortised cost includes trade and other receivables.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

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
- The Visual Media 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 Visual Media Association has transferred substantially all the risks and rewards of the asset, or

  b) the Visual Media Association has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Visual Media 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 Visual Media Association continues to recognise the transferred asset to the extent of its continuing involvement together with associated liability.

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

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 Visual Media 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 Visual Media Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Visual Media 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).

The Visual Media Association considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Visual Media Association may also consider a financial asset to be in default when internal or external information indicates that the Visual Media 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.

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 Visual Media Association financial liabilities include trade and other payables.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

Financial liabilities (continued)

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.

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.

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.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

Land, buildings, plant and equipment (continued)

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:

	2023	2022
Land & buildings	**40 years**	40 years
Plant and equipment	**5 - 13 years**	5 - 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.

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.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

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 Visual Media Association intangible assets are:

	2023	2022
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.

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 Visual Media Association were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

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.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

Taxation

The Visual Media 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.

Fair value measurement

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

The Visual Media 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 to the financial statements.

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 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 Visual Media 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.

NOTES OF THE FINANCIAL STATEMENTS

Note 1. Summary of material accounting policies (continued)

Fair value measurement (continued)

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 Visual Media 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 Visual Media 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.

Note 2. Events after the reporting period

No events occurred after 31 December 2023, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of the Association.

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

STATEMENT OF COMPREHENSIVE INCOME

Note 3. Income

For the year ended 31 December 2023

Disaggregation of revenue from contracts with customers

A disaggregation of the 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:

Revenue	2023 | $	2022 | $
Type of customer		
Members	**892,573**	458,822
Other parties	**332,049**	-
Total revenue from contracts with customers	**1,224,622**	458,822

Disaggregation of income for furthering activities

Revenue	2023 | $	2022 | $

A disaggregation of the 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	-	-
3a - Capitation fees and other revenue from another reporting unit		
Capitation fees	-	-
Other revenue from another reporting unit	-	-
Total capitation fees and other revenue	-	-
3b – Levies		
Levies	-	-
3c - Interest		
Deposits	**34,610**	840
3d – Rental revenue		
Properties	**122,917**	93,211
3e - Grants or donations		
Grants	-	-
Donation	-	-
Total grants or donations	-	-

NOTES OF THE FINANCIAL STATEMENTS

Note 3. Income (continued)

Revenue (Continued)	2023 | $	2022 | $
3f – Other income		
Sustainable Green Print	**6,594**	12,832
Other Income	**47,862**	-
Total other income	**54,456**	12,832
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	**-**	-

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

NOTES OF THE FINANCIAL STATEMENTS

Note 4. Expenses

Expenses	2023 | $	2022 | $
4a – Employee expenses		
Holders of office:	**-**	-
Employees other than office holders:		
Wages and salaries	**207,406**	52,500
Superannuation	**22,297**	3,537
Leave and other entitlements	**(3,584)**	260
Other employee expenses	**2,109**	-
Total employee expenses	**228,228**	56,297
4b - Capitation fees and other expense to another reporting unit		
Capitation fees	**-**	-
Other expense to another reporting unit	**-**	-
	-	-
4c - Affiliation fees		
Intergraf	**-**	2,677
Total affiliation fees	**-**	2,677
4d - 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	**-**	-

NOTES OF THE FINANCIAL STATEMENTS

Note 4. Expenses (continued)

Expenses	2023 | $	2022 | $
4e - Depreciation and amortisation		
Depreciation		
Property, plant and equipment	**2,301**	5,918
Right-of-use assets	**-**	-
Total depreciation	**2,301**	5,918
Amortisation		
Software and websites	**654**	29,777
Total amortisation	**654**	29,777
Total depreciation and amortisation	**2,955**	35,695
4f - Finance costs		
Bank charges	**2,354**	2,444
4g - Legal costs		
Litigation	**-**	-
Other legal matters	**1,310**	2,120
	1,310	2,120
4h - Write-down and impairment of assets		
Loss on revaluation	**-**	-

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

NOTES OF THE FINANCIAL STATEMENTS

Note 4. Expenses (continued)

Expenses	2023 | $	2022 | $
4i - Net losses from sale of assets		
Plant and equipment	**20,839**	8,808
4j - Administration expenses		
Total paid to employers for payroll deductions of membership subscriptions	**-**	-
Compulsory levies	**-**	-
Fees/allowances - meeting and conferences	**-**	-
Accounting and bookkeeping fees	**40,800**	43,050
Advertising and marketing	**16,859**	-
Award expenses	**190,540**	37,478
Bad debts	**3,510**	-
Conference and meeting expenses – staff	**-**	-
Board meeting expenses	**5,534**	7,113
Consultants	**54,744**	86,874
Property expenses	**59,389**	45,449
Office expenses	**-**	-
Repairs and maintenance	**29,450**	8,201
Travel	**14,051**	182
Information technology	**26,767**	34,454
Insurance	**14,266**	16,313
Subscriptions	**9,423**	6,847
Licencing	**20,000**	7,083
Contractors	**638,652**	169,274
Other	**34,095**	20,503
Operating lease rental	**27,750**	8,250
Total administration expenses	**1,185,830**	491,071
4k - Other expenses		
Penalties - via RO Act or the Fair Work Act 2009	**-**	-

NOTES OF THE FINANCIAL STATEMENTS

Note 5. Current assets - cash and cash equivalents

Cash and cash equivalents	2023 | $	2022 | $
Cash at bank	**263,843**	340,167
Term deposits	**1,448,150**	1,000,000
Total cash and cash equivalents	**1,711,993**	1,340,167

Note 6. Current assets - trade and other receivables

Trade and other receivables	2023 | $	2022 | $
Trade receivables	**171,973**	23,753
GST receivable	**-**	15,892
Less: Allowance for expected credit losses	**(5,000)**	-
Total trade receivables	**166,973**	39,645
Loan – PVCA Events	**1,349**	290
Accrued interest	**7,134**	815
	175,456	40,750

Note 7. Current assets - Other

Other	2023 | $	2022 | $
Prepayments	**12,277**	5,572

NOTES OF THE FINANCIAL STATEMENTS

Note 8. Non-current assets - property, plant and equipment

Property, plant and equipment	2023 | $	2022 | $
Land and buildings - at fair value	**-**	1,600,000
Plant and equipment:	**132,471**	308,933
Less: Accumulated depreciation	**(89,138)**	(281,973)
	43,333	26,960
	43,333	1,626,960

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

Property, plant and equipment	Land and buildings $	Plant and equipment $	Total $
Balance at 1 January 2022	**1,600,000**	**32,878**	**1,632,878**
Depreciation expense	-	(5,918)	(5,918)
Balance at 31 December 2022	1,600,000	26,960	1,626,960
Additions	-	2,773	2,773
Transfer to investment properties	(1,600,000)	-	(1,600,000)
Disposals	-	(21,930)	(21,930)
Revaluation increments	-	37,831	37,831
Depreciation expense	-	(2,301)	(2,301)
Balance at 31 December 2023	**-**	**43,333**	**43,333**

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.

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

NOTES OF THE FINANCIAL STATEMENTS

Note 9. Non-current assets - intangibles

Intangibles	2023 | $	2022 | $
Software and website		
At cost	**19,982**	19,982
Less: Accumulated amortisation	**(19,982)**	(19,328)
	-	654

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

Intangibles	Software & Website	Total $
Balance at 1 January 2022	**39,239**	39,239
Disposals	**(8,808)**	(8,808)
Amortisation expense	**(29,777)**	(29,777)
Balance at 31 December 2022	**654**	654
Amortisation expense	**(654)**	(654)
Balance at 31 December 2023	**-**	-

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

NOTES OF THE FINANCIAL STATEMENTS

Note 10. Non-current assets - investment properties

Investment properties	2023 | $	2022 | $
Investment property - at independent valuation	**3,115,000**	1,515,000

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	**1,515,000**	1,515,000
Transfer from property, plant and equipment	**1,600,000**	-
Closing fair value	**3,115,000**	1,515,000

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:

Property at	Valuer	Valuation date	Valuation
Queensland	Hymans Property	21 March 2022	$940,000
South Australia	Hymans Property	22 March 2022	$575,000
Victoria	Hymans Property	1 March 2022	$1,600,000

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 $122,917.
Refer to note 25 for further information on fair value measurement.

NOTES OF THE FINANCIAL STATEMENTS

Note 11. Non-current assets - investments in joint venture

Investments in joint venture	2023 | $	2022 | $
Visual Industries Events	**203,456**	241,565
Total Investment in Joint Venture	**203,456**	241,565

		Ownership	
Name of Entity	**Principal Activity**	**2023 | %**	**2022 | %**
Visual Industries Events	Sponsorship, promotion and running of trade exhibitions as well as the conducting of print events within Australia	50%	50%

Summary financial information of joint venture	2023 | $	2022 | $
Statement of financial position		
Assets	**406,912**	493,591
Liabilities	**-**	(10,460)
Net assets	**406,912**	483,131
Statement of comprehensive income		
Income	**20,878**	575,314
Expenses	**(97,095)**	(148,247)
Net surplus (deficit)	**(76,217)**	427,067
Share of net surplus (deficit)	**(38,109)**	213,528

Dividends received from associates $nil (2022: $nil)
Associates had contingent liabilities and capital commitments as at 31 December 2023 of $nil (2022: $nil)

Note 12. Non-current assets - right-of-use asset

Right-of-use asset	2023 | $	2022 | $
Right-of-use assets - Building	**-**	-
Less: Accumulated depreciation	**-**	-
	-	-

Note 13. Non-current assets - other

Other	2023 | $	2022 | $
Security deposits	**-**	4,518

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

NOTES OF THE FINANCIAL STATEMENTS

Note 14. Current liabilities - trade and other payables

Trade and other payables	2023 | $	2022 | $
Trade payables	**27,906**	79,255
	27,906	79,255

Settlement is usually made within 30 days.

Note 15. Current liabilities - other payables

Other payables	2023 | $	2022 | $
Other payables (GST, PAYG, Superannuation)	**56,463**	7,574
	56,463	7,574

Note 16. Current liabilities - lease liabilities

Lease liabilities	2023 | $	2022 | $
Lease liability	**-**	-

Note 17. Current liabilities - deferred revenue

Deferred revenue	2023 | $	2022 | $
Unearned revenue - membership	**237,577**	83,961
Unearned revenue - sponsorship	**237,500**	-
	475,077	83,961

NOTES OF THE FINANCIAL STATEMENTS

Note 18. Current liabilities - provisions

Provisions	2023 | $	2022 | $
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	8,105	10,839
Long service leave	-	-
Separations and redundancies	-	-
Other	-	-
Subtotal employee provisions - employees other than office holders	**8,105**	**10,839**
Total employee provisions	**8,105**	**10,839**
Represented as:		
Current	8,105	10,839
Non-current	-	-
Total employee provisions	**8,105**	**10,839**

Note 19. Non-current liabilities - provisions

Provisions	2023 | $	2022 | $
Make good provision	-	-
Total other non-current liabilities	-	-

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

NOTES OF THE FINANCIAL STATEMENTS

Note 20. Reconciliation of profit after income tax to net cash from/(used in) operating activities

Cash flow reconciliation	2023 | $	2022 | $
Profit after income tax expense for the year	80,546	256,121
Adjustments for:		
Depreciation and amortisation	2,955	35,695
Net loss on disposal of property, plant and equipment	20,839	8,808
Share of profit - joint ventures	38,109	(76,160)
Revaluation increment	(37,831)	-
Bad doubtful expense	3,510	-
Change in operating assets and liabilities		
(Increase)/decrease in net receivables	(138,216)	(31,524)
(Increase)/decrease in other assets	(2,186)	37,624
(Increase)/decrease in other payables	14,665	(181,208)
(Increase)/decrease in unearned revenue	391,116	(112,260)
(Increase)/decrease in provisions	-	10,839
Net cash from (used in) operating activities	373,507	(52,065)
Cash inflows – Visual Media Association	$1,975,109	$717,119
Cash outflows – Visual Media Association	($1,603,283)	($769,184)

Note 21. Related party transactions

The Board members of the Visual Media 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 Visual Media Association and who pays an annual subscription for that membership under normal commercial conditions.

Key management personnel
Disclosures relating to key management personnel are set out in note 22.

NOTES OF THE FINANCIAL STATEMENTS

Note 22. Key management personnel compensation

Key management personnel compensation	2023 | $	2022 | $
Short-term employee benefits:		
Salary (including annual leave taken)	**165,000**	37,500
Annual leave accrued	**2,265**	260
Performance bonus	**15,000**	15,000
Total short-term employee benefits	**182,265**	52,760
Post-employment benefits:		
Superannuation	**17,775**	3,537
Total post-employment benefits	**17,775**	3,537

Note 23. Remuneration of auditors

Remuneration of auditors	2023 | $	2022 | $
During the financial year the following fees were paid or payable for services provided by, the auditor of the association:		
Value of the services provided:		
Financial statement audit services	**18,500**	14,000

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

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

NOTES OF THE FINANCIAL STATEMENTS

Note 24. Financial instruments

Financial instruments	2023 | $	2022 | $
Financial assets:		
Cash and cash equivalents	**1,711,993**	1,340,167
Trade debtors	**166,973**	39,645
	1,878,966	1,379,812
Financial liabilities:		
Trade creditors	**27,906**	79,255
Net income and expense from financial Assets		
Amortised cost:		
Net gain - interest revenue	34,610	840
Loans and receivables:		
Net gain (loss) - impairment for doubtful debts	3,510	-

Credit risk:

The carrying amount of the Association's financial assets represents the maximum credit exposure. The Association's maximum exposure to credit risk at the reporting date was $166,973 (2022: $39,645) the receivables balance as set out in note 6.

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 Visual Media Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

The Visual Media 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 Visual Media Association does not require collateral in respect of financial assets.

Market risk:

Market risks generally relate to Interest rate risk

The 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:

Financial instruments	2023 | $	2022 | $
Financial assets:		
Cash (2023: 4%, 2022: 3.31%)	**1,711,993**	1,340,167
Receivables	**166,973**	39,645
	1,878,966	1,379,812
Financial liabilities:		
Trade creditors	**27,906**	79,255

Price risk: *The association is not exposed to any significant price risk.*

NOTES OF THE FINANCIAL STATEMENTS

Note 25. Fair value measurement

Financial assets and liabilities

Management of the Visual Media 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.

Non-Financial assets and liabilities

The Visual Media 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 to the financial statements for the definition of Level 2 and note 8 and 10 non-current assets for details on the valuation techniques and inputs.

Note 26. Commitments and contingencies

Commitments and contingencies	2023 | $	2022 | $
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.	-	-

Note 27. Contingencies and commitments

The Association did not have any contingencies and commitments at 31 December 2023 (31 December 2022: None).

Note 28. 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 Association, or the Commissioner, may apply to the Association for specified prescribed information in relation to the 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 Association.

3) The Association must comply with an application made under subsection (1).

OFFICER DECLARATION STATEMENT

In the directors' opinion:

I, Rodney Frost, being the Honorary Treasurer of the Visual Media Association, declare that the following activities did not occur during the reporting period ending 31 December 2023.

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

Signature of prescribed designated officer:

[redacted]

Rodney Frost
Honorary Treasurer
1 July 2024

Nexia Sydney Audit Pty Ltd
Level 22, 2 Market Street
Sydney NSW 2000
PO Box Q776
QVB NSW 1230
E: info@nexiasydney.com.au
P: +61 2 9251 4600
F: +61 2 9251 7138

nexia.com.au

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VISUAL MEDIA ASSOCIATION

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Visual Media Association (the Reporting Unit), which comprises the statement of financial position as at 31 December 2023, 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 2023, 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.

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

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.

Nexia Australia

- 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

Nexia Sydney Audit Pty Ltd

[redacted]

Vishal Modi
Director

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

Dated at Sydney this 1st day of July 2024

ANNUAL REPORT | VISUAL MEDIA ASSOCIATION

[redacted]

[redacted]