CONTENTS

2 President’s Report
4 Key Membership Stakeholders 2019
5 CEO’s Report
8 Advocacy
10 AIRAH Awards 2019
13 AIRAH Special Technical Groups
14 Technical Publications
15 Our Divisions
18 Professional Development and Conferences
19 Marketing, Communications and Publications
22 Promotions
24 Projects and Initiatives
25 AIRAH Carbon Footprint
26 Financial Report
28 Directors’ Report
31 Auditor’s Independence Declaration
50 Independent Auditor’s Report
Onwards to our Centenary

What drives AIRAH is a desire to make the refrigeration, air conditioning and heating industry a better place for everyone who benefits from a vibrant, safe, friendly and professional sector.

Over the past 12 months AIRAH has delivered a substantial number of key initiatives for the industry, and in doing so, we have led the way on key industrial issues such as education and awareness to the transition to a net-zero environment, education on natural/low global warming potential (GWP) refrigerants, and industry advocacy on key issues.

Actions truly do speak louder than words. And while AIRAH is getting on with the job, it is worth reflecting on some of these initiatives achieved throughout 2019:

- A total of 1,321 people attended a variety of professional development programs
- The AIRAH-Accredited Professional Diploma of Building Services – HVAC&R continued its enrolment momentum, with another 75 students participating
- More than 680 industry professionals in total attended the five conferences held, including the inaugural Big Data and Analytics Forum in Sydney
- The HVAC&R Emerging Trends Symposium was conducted for the first time, in Perth
- The following face-to-face and online training programs were updated, redeveloped and released:
  - AIRAH-Accredited Professional Certificate in HVAC&R Fundamentals online program
  - Flammable Refrigerant Safety Guide online resource
  - Building Ventilation (AS1668.2 and AS1668.4) full-day seminar
  - Building Tuning full-day seminar
  - Section J full-day course to reflect the changes to the NCC 2019 release.
- Released updated versions of DA15 Air Filters and Cleaning Devices and DA19 HVAC&R Maintenance
- A record number of more than 320 people attended the 2019 AIRAH Awards Gala
- Completed the AIRAH Strategic Plan 2020–2022
- The groundwork was laid for the implementation of the AIRAH Registered Professional Engineer (ARPEng) program, in response to the landmark Shergold-Weir report calling for the registration of professional engineers
- Our website traffic and social media connections again increased by considerable amounts.

The issue of skills shortages for the sector in some states, and the ability of the industry to position itself to attract the best and brightest, drove AIRAH to develop a series of materials to promote our industry. These are available for all members to use to promote HVAC&R careers to a wide range of communities.
It is important that industry works collaboratively to promote the benefits of having a career in our sector. This includes having a mutual understanding of what makes us strong: professionalism driven by skills-based licensing and training, environmental credentials, passion and the fact that HVAC&R is vital to modern life.

Another major achievement for 2019 was launching the Innovation Hub for Affordable Heating and Cooling (iHub). The project, being conducted in conjunction with the CSIRO, Queensland University of Technology (QUT), the University of Melbourne and the University of Wollongong, and supported by the Australian Renewable Energy Agency (ARENA), is designed to facilitate the HVAC&R industry’s transition to a low-emissions future, stimulate jobs growth, and showcase HVAC&R innovation in buildings.

The three-year project’s budget of $18 million includes cash and in-kind contributions of nearly $12 million from the participating institutions. There will be significant activities that our industry will be able to be involved in, resulting in an enormously positive impact on environment over the coming years.

2019 saw AIRAH enter into a new era, as our agreement of financial return from the ARBS exhibition ceased after more than 20 years of existence.

Given this situation, and via robust past planning we were able to provide a strong financial result, recording a revenue of $4,292,546 and a surplus of $34,530, our asset base grew to $5,393,485, an increase of $172,683.

Our membership continues to grow to record numbers with 3,811 members, growing 12.4 per cent compared to 2018.

I would particularly like to note that after almost 18 years with AIRAH, Phil Wilkinson, F.AIRAH, resigned his position with the Institute to seek new opportunities in more people-oriented roles. During his tenure Phil has held several key positions including Technical Manager, Business Development Manager, CEO (from 2010–2015), and most recently Executive General Manager – Technical Services and Government Relations. Throughout his time with the Institute, Phil has been a credit to AIRAH, its members and to our industry. We wish him all the best in his new adventures.

As we enter our Centenary year, it is my belief that a continued focus on delivering value to our industry will underpin AIRAH’s performance over the next 12 months. I would like to thank my fellow Board members who volunteer their time to ensure that AIRAH plays a leading role in the shape, foundation and support of our industry, and to our divisional committees and Special Technical Groups for their representation, work and great contributions to our dynamic industry.

Ian Harwood, F.AIRAH
National President
### Key Membership Stakeholders 2019

#### AIRAH Board

<table>
<thead>
<tr>
<th>Name</th>
<th>Role and Division Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ian Harwood</td>
<td>President (WA Associate Director)</td>
</tr>
<tr>
<td>Byron Price**</td>
<td>Board (Vic Associate Director)</td>
</tr>
<tr>
<td>Ura Sarfejoo**</td>
<td>Board (WOA Associate Director)</td>
</tr>
<tr>
<td>Stefan Jensen**</td>
<td>Board (Refrigeration STG Associate Director)</td>
</tr>
<tr>
<td>Paul Jackson</td>
<td>Board (Big Data STG Associate Director and WA Divisional Chair)</td>
</tr>
<tr>
<td>Liza Taylor</td>
<td>Board (Resilience STG Associate Director and Co-Chair)</td>
</tr>
<tr>
<td>Nathan Groenhout</td>
<td>Discretionary Director</td>
</tr>
<tr>
<td>Tony Gleeson</td>
<td>CEO/Company Secretary</td>
</tr>
</tbody>
</table>

Those marked with ** also sit on the Audit, Finance, Policy & Risk Committee (AFPRC)

#### Associate Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Role and Division Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alan Fok</td>
<td>NSW Associate Director</td>
</tr>
<tr>
<td>Chris Flanagan</td>
<td>Board (Qld Associate Director)</td>
</tr>
<tr>
<td>Christopher Ward</td>
<td>ACT Associate Director</td>
</tr>
<tr>
<td>David Collins</td>
<td>SA Associate Director and Divisional Chair</td>
</tr>
<tr>
<td>Chris Moore</td>
<td>NT Associate Director and Divisional Chair</td>
</tr>
<tr>
<td>Stephen White</td>
<td>Solar Heating and Cooling STG Associate Director</td>
</tr>
<tr>
<td>Sean Maxwell</td>
<td>Building Physics STG Associate Director</td>
</tr>
<tr>
<td>Julian Cook</td>
<td>Tas Associate Director and Divisional Chair</td>
</tr>
<tr>
<td>Brad George</td>
<td>Infection Control and Operating Theatres STG Associate Director</td>
</tr>
</tbody>
</table>

#### Divisional and STG Chairs

<table>
<thead>
<tr>
<th>Name</th>
<th>Role and Division Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ken Thomson</td>
<td>Qld Divisional Chair</td>
</tr>
<tr>
<td>Erica Kenna</td>
<td>ACT Divisional Chair</td>
</tr>
<tr>
<td>Gary Ward</td>
<td>Vic Divisional Chair</td>
</tr>
<tr>
<td>Peter Needham</td>
<td>SA Divisional Chair</td>
</tr>
<tr>
<td>Jesse Clarke</td>
<td>Building Physics STG Chair</td>
</tr>
<tr>
<td>Brett Hedge</td>
<td>Refrigeration STG Co-Chair</td>
</tr>
<tr>
<td>Abraham Corona</td>
<td>Infection Control and Operating Theatres – STG Chair</td>
</tr>
<tr>
<td>Nikki Parker</td>
<td>Resilience STG Co-Chair</td>
</tr>
<tr>
<td>Mikaila Ganado</td>
<td>WOA STG Chair</td>
</tr>
<tr>
<td>Pierce Holstrom</td>
<td>ESD STG Chair</td>
</tr>
<tr>
<td>Subbu Sethuvenkatraman</td>
<td>Solar Heating and Cooling STG Chair</td>
</tr>
</tbody>
</table>
AIRAH’s Strategic Plan 2020–2022

As we enter our Centenary year, I am excited to announce our strategic plan for 2020–2022. In developing the plan, workshops were conducted throughout 2019 with the Board, Associate Directors, and AIRAH staff, members and customers were surveyed. A small number of in-depth interviews were also conducted.

In addition, we considered the ever-changing landscape of associations more broadly to ensure AIRAH maintains a sound operating platform from which it can meet its purpose.

In association parlance AIRAH operates a Hybrid Benefit Model. AIRAH is an organisation that performs the function of both a professional body – for the benefit of individuals, and an industry body – for the benefit of the industry and the public. Our goals and operations therefore are a mix of member-benefit and public-benefit; we seek to produce positive outcomes for individual members, as well as the HVAC&R industry and wider community.

The mix of member and public benefit is quite evident when we consider the scope of our operations, we:

■ Provide an industry voice
■ Build the skills of members and the industry
■ Shape policy and regulatory frameworks, standards and guidelines
■ Provide knowledge sharing, education and training
■ Deliver conferences, forums and events.

At times it has been challenging to reconcile the two functions and to achieve a clarity of purpose and strategic priority – where to put our focus and limited resources while ensuring financial stability – member versus non-member, and membership versus industry and public.

This has been become clearer, however, as we progressed initiatives during the 2017–2019 plan. The organisation has cemented its position as the industry leader in HVAC&R education and training with a renewed focus on career pathways for HVAC&R professionals, continuous professional development and postgraduate education, while also working to introduce an accreditation program for professional engineers.

This has helped confirm our primary target audience for membership, although not sole target by any means, as engineers and skilled practitioners working in HVAC&R. AIRAH has researched the broad “fridgie” or air conditioning/refrigeration technician segment and determined while it is vitally important to the industry, and a key focus of AIRAH activities, only the more senior skilled practitioners or “leaders” in this segment are likely to be attracted to AIRAH membership. As a total group the “fridgie” segment is not a primary target segment for AIRAH membership.

AIRAH’s role in progressing the Innovation Hub for Affordable Heating and Cooling (iHub) initiative has demonstrated the importance of AIRAH being a leader for evidence-based innovation in HVAC&R
design, installation and operation, while also highlighting the need for AIRAH to have greater access to government for influence and commercial benefit. The initiatives of the Refrigeration Special Technical Group have highlighted the need for a coordinated industry and government response to improving the work standards and training of HVAC&R technicians and the necessity for effective compliance and enforcement systems – as an enabler to effectively manage the transition to low-GWP refrigerants and as a contributor to a low-emission (direct and indirect emissions) high-efficiency HVAC&R.

Safety and compliance issues continue to be major issues for the industry, and AIRAH will maintain its focus on providing critical technical information and safety standards and compliance training for HVAC&R developed in conjunction with government, regulators and industry.

AIRAH will pursue four strategic goals for 2020–2022:

1. **Australia’s peak membership body for HVAC&R professionals and practitioners**
   i. Introduce an accreditation program and become an assessment scheme for registration of professional engineers
   ii. Develop programs, and recognise diversity to strengthen our membership and HVAC&R visibility and community engagement

2. **The leading provider of industry-recognised technical knowledge, education and training**
   i. Create and deliver education programs to support technical and professional careers, safety and compliance
   ii. Build our range of technical tools and resources

3. **The industry voice for resilience, sustainability, safety and innovation in HVAC&R**
   i. Facilitate innovation to create net-zero buildings
   ii. Advocate for licensing and registration change to support regulatory compliance and the transition to low-GWP refrigerants

4. **Create strong government and industry influence and commercial linkages**
   i. Develop constructive and influential relationships with government and industry
   ii. Collaborate with government and industry to develop technical tools and training programs

More information on the plan can be found on our website at www.airah.org.au/About/Strategic_Plan

I look forward to a very exciting and fruitful time that this plan will bring our organisation.

Tony Gleeson, M.AIRAH
Chief Executive
2020–2022 STRATEGIC PLAN

OUR VISION
Safe, sustainable, healthy and effective environments.

OUR MISSION
To create an Australian HVAC&R Industry that is highly skilled and professional, safe, sustainable and environmentally effective.

OUR GOALS AND STRATEGIES

MEMBERSHIP
Australia’s peak membership body for HVAC&R professionals and practitioners.

- Introduce an accreditation program and become an assessment scheme for registration of professional engineers
- Develop programs and recognise diversity to strengthen our membership and HVAC&R visibility and community engagement

EDUCATION
The leading provider of industry recognised technical knowledge, education and training.

- Create and deliver education programs to support technical and professional careers, safety and compliance
- Build our range of technical tools and resources

INDUSTRY VOICE
The industry voice for resilience, sustainability, safety and innovation in HVAC&R.

- Institute innovation to create net zero buildings
- Advocate for licensing and registration change to support regulatory compliance and the transition to low-GWP refrigerants

COLLABORATION
Create strong government and industry influence and commercial linkages.

- Develop constructive and influential relationships with government and industry
- Collaborate with government and industry to develop technical tools and training programs

AUSTRALIAN INSTITUTE OF REFRIGERATION, AIR CONDITIONING AND HEATING
The institute for HVAC&R professionals and practitioners

GET STARTED ON YOUR APPLICATION TO BECOME AN ARPEng

AIRAH REGISTERED PROFESSIONAL ENGINEER

AIRAH.ORG.AU/ARPENG
Professional registration of engineers

In 2019, following an independent assessment of problems in the building and construction industry, the Building Ministers’ Forum (BMF) developed a roadmap for reform: the Building Confidence Report Implementation Plan. The top priority of this plan was that each jurisdiction requires the registration of building practitioners involved in the design, construction and maintenance of buildings. This includes engineers.

In line with our mission to create an Australian HVAC&R industry that is highly skilled and professional, safe, sustainable and environmentally effective, AIRAH supported the push for professional registration of engineers. The Institute advocated with both NSW and Victorian state governments as they introduced regulations for professional registration of building professionals. We kept our members and the wider industry abreast of these important changes through our print and online communications channels.

AIRAH also launched the ARPEng program to support state and territory licensing regimes.

Licensing of refrigeration and air conditioning mechanics

AIRAH recognises that having a skilled and strong trade is vital for a healthy HVAC&R industry. We kept our members abreast of changes to the mechanical services licensing framework in Queensland, conducted research on the strengths and weaknesses of current licensing systems across the country, and worked with the Refrigeration STG to define AIRAH’s position on licensing.

TAFE education

In the first half of 2019, AIRAH consulted TAFEs and universities across the country to strengthen our relationships with them, better understand the challenges they are facing, and get a sense of how we can add value.

This work informed our submissions to the federal government advocating for a new approach to updating the national training package for refrigeration and air conditioning apprentices, including creating an Industry Reference Committee specifically for refrigeration and air conditioning.
Improving emissions abatement
In 2019, the federal government requested proposals on how to improve the effectiveness of the Emissions Reduction Fund (ERF). AIRAH made a submission indicating how the ERF could better incorporate HVAC&R and the built environment.

In conjunction with the Australian Sustainable Built Environment Council, AIRAH also supported the Every Building Counts initiative developed by the Green Building Council of Australia and the Property Council of Australia. This plan for emissions reduction contains 75 recommendations, many of which are aligned with AIRAH’s activities.

Better HVAC&R maintenance
Improving maintenance of HVAC&R maintenance is a key step to improving sustainability of our sector.

In 2019, AIRAH released a new edition of DA19 – HVAC&R Maintenance with important updates on energy efficiency, system sustainability, asset management and smart maintenance. The release was supported by a series of seminars around the country, and online and hard-copy user guides aimed at facilities managers and building owners.

Updates to the National Construction Code
The Institute worked closely with the Australian Building Code Board (ABC) to support the introduction of a new National Construction Code (NCC), which included transformational changes in energy efficiency requirements. The Institute ran workshops across the country and raised awareness of the new code through our publications and communications.

Sustainable innovation
The new Innovation Hub for Affordable Heating and Cooling (iHub) initiative, led by AIRAH – in conjunction with the CSIRO, Queensland University of Technology (QUT), the University of Melbourne and the University of Wollongong – and supported by the Australian Renewable Energy Agency (ARENA), was launched to facilitate the HVAC&R industry’s transition to a low-emissions future.

The three-year project’s budget of $18 million includes cash and in-kind contributions of nearly $12 million from the participating institutions.

Internationally, AIRAH acted as an outreach partner for the Global Cooling Prize – an innovation competition aimed at creating a room air conditioner with at least five times less climate impact than a typical model available today.
Widely recognised as Australia’s premier HVAC&R accolades, the AIRAH Awards celebrate the industry’s exemplar projects, high achievers and ground-breaking research. A record number of more than 320 attendees flocked to Doltone House in Sydney during November to see who would be announced the winners across 12 award categories. The evening also included the presentation of the James Harrison Medal.

**Best HVAC Retrofit or Upgrade**
*Winner:* DMA Engineers and VAE Group
– Mater Private Hospital

**Excellence in Diversity and Inclusion**
*Winner:* Ben Adamson, F.AIRAH

**Excellence in HVAC&R Research**
*Joint winners*
*Winner:* DevelopmentWA
– Cool Earth, The Vive, Craigie

*Winner:* Solar Decathlon Team, University of Wollongong
– Desert Rose Solar Decathlon House

**Excellence in Innovation**
*Winner:* Alinta Energy Geothermal
– Fairwater geothermal installation

**Excellence in Refrigeration**
*Joint winners*
*Winner:* Scantec Refrigeration Technologies
– Bidfood Mackay

*Winner:* Woolworths Food Group
– Woolworths Prestons Supermarket

**Excellence in Sustainability**
*Winner:* AECOM
– Gillies Hall, Monash University

**Product of the Year**
*Winner:* Shepherd Filters
– Disposable kitchen grease filters

**Future Leader**
*Joint winners*
*Winner:* Jack Wardale, M.AIRAH
*Winner:* James Spears, M.AIRAH

**Student of the Year**
– Higher Education or Research
*Winner:* Brendan Banfield, Stud.AIRAH
University of Wollongong

**Student of the Year**
– Trade
*Winner:* Mat Patrick, Stud.AIRAH
Cold Logic

**W.R. Ahern Award**
This award goes to the best technical paper by an AIRAH member published in Ecolibrium over the previous year.
*Winner:* Graham Carter, M.AIRAH, et al
– “Not so cool roofs”

**James Harrison Medal**
The James Harrison Medal is the highest honour AIRAH can bestow upon an individual.
*Winner:* Paul Cooper, L.AIRAH
University of Wollongong
Since Cooper started in the HVAC&R industry, he has dedicated himself to bettering lives through his committed research in roles at the University of Wollongong and involvement with industry organisations such as AIRAH, ASHRAE and ASBEC. His focus is on developing positive societal outcomes through the most efficient and effective engineering solutions to improve the quality of living and working environments for all.
Excellence in HVAC&R Research winners Solar Decathlon Team, University of Wollongong

Future Leader winner James Spears with Bryon Price

The 2019 AIRAH Awards Presentation Dinner

W.R. Ahern Award winner Graham Carter

Excellence in HVAC&R Research winners Solar Decathlon Team, University of Wollongong
AIRAH 2019 WRAP
PROFESSIONAL DEVELOPMENT

- Professional Diploma in Building Services - HVAC&R
  80 students
- Face to Face Courses
  27 sessions
  451 people
- Seminar Series
  1. NCC 2019
  2. HVAC&R Maintenance
  15 locations
  607 people
- In-House Training
  over 100 people
- Professional Certificate in HVAC&R Fundamentals
  60 enrolments
  new for 2019
- Other Online Training
  83 enrolments

TOTAL NUMBER OF PEOPLE TRAINED IN 2019: 1321

JOIN US IN 2020

AIRAH 2019 WRAP
PUBLICATIONS

- HVAC&R Nation
  10 issues
- Ecolibrium
  11 issues
- HVAC&R News
  320+ articles
  87,000+ page views

JOIN US IN 2020

AIRAH 2019 WRAP
MAJOR EVENTS

- Restoration Conference
- Big Data and Analytics Forum
- The Future of HVAC Conference
- Building Physics Forum
- AIRAH Awards
- Demolition, Heating and Cooling Forum

6 EVENTS
OVER 130 SPEAKERS
14 KEYNOTES
1003 ATTENDEES

JOIN US IN 2020
The AIRAH Special Technical Groups (STGs) had a busy 2019. The STGs are formed when like-minded AIRAH members want to get together to increase awareness and or activities around a certain area of the HVAC&R community. During 2019 the following groups all provided great leadership by inputting into AIRAH’s activities and strategic plans.

- Big Data and Analytics
- Building Physics
- Infection Control and Operating Theatre Procedures
- Refrigeration
- Resilience
- Renewable Heating and Cooling
- The Women of AIRAH.

The highlights were the running of the inaugural Big Data and Analytics Forum in Sydney where 119 people attended the event. The ever-growing Building Physics Forum ran for a third consecutive year, with more than 100 attendees. The Future of HVAC Conference provided a forum for which many of the STGs provided technical content, including panels on diversity, infection control and resilience.

Many of the groups were involved throughout the year representing AIRAH on a variety of Australian Standards committees. Their aim is to elevate the codes and practices that the HVAC&R and broader industry uses. Through the STGs, AIRAH was able to respond to government policies and participate in government workshops, with the aim of ensuring AIRAH has a voice and position on the future of the industry.

The Special Technical Groups also provide speakers for a variety of AIRAH conferences and technical papers for our publications. In 2020 we will continue to work with the STGs to provide webinar content for the AIRAH members who will be able to access more freely the work that the STGs are doing. If you have an interest in assisting any of the groups, please contact the AIRAH office.

We have also begun talks to start up new groups in 2020. Suggestions mooted are the Kitchen Exhaust Systems STG, Indoor Air Quality STG and the Commissioning STG.
During 2019, AIRAH released updated versions of DA15 (Air Filters and Cleaning Devices) and DA19 (HVAC&R Maintenance). These updated technical resources are available in an online version free to members via their online membership portal.
ACT

2019 saw change to the ACT committee, with a new President and Associate Director (Christopher Ward, M.AIRAH) being named. From what we can gather, ACT was the first state divisional committee to boast a female President, with Erica Kinna, M.AIRAH, taking over from long-serving president Lasath Lecamwasam, F.AIRAH. Although small, the ACT committee is committed to the task.

ACT successfully ran three division events, with an average attendance of 28. The most successful was a seminar on Healthcare HVAC early in the year. The ACT division event plan going forward is to offer a diverse array of topics that have been successful nationally for AIRAH and have a relevance to the local Canberra region.

The annual AIRAH Industry Night in Canberra grew in numbers and exhibitors, continuing the trend observed over the past few years. More than 200 HVAC&R industry professionals registered to attend the Industry Night, with 187 walking through the door.

Membership has seen a small and steady growth during 2019, hitting record membership numbers for the region.

New South Wales

After many years as a state division committee member and four years as President and Associate Director, Gary Knox, F.AIRAH, stepped down from the AIRAH NSW division committee. We thank Gary for his dedication to AIRAH and continued support.

2019 started with the appointment of a new President and Associate Director, with Mikaila Ganado assuming both roles. New faces joined the committee, bringing with them ideas, new approaches and exceptional commitment.

The year started with some of the largest division event attendances in recent memory, with an overall average attendance at technical seminars of 56.

NSW provided six division events, an annual golf day and introduced a networking lunch to the local calendar.

Four Industry Nights ran in the state during 2019, each one producing record numbers of registrations and attendance. The highlight was the Central Sydney event, which attracted more than 400 registrations and 310 industry professionals through the door.

The NSW Golf Day grew in 2019, with 26 teams and 104 players teeing off. It was also the first year an all-women’s team contested a NSW golf day.

All levels of membership grew in NSW during 2019.

Northern Territory

In 2019, AIRAH’s Northern Territory Division saw some small changes to the regular calendar of events with new training courses, events and site visits added. In June the Industry Night came to Darwin, with 35 exhibitors and almost 100 attendees joining us to see what’s new in the HVAC&R Industry and to celebrate World Refrigeration Day.

The following day, the AIRAH Golf Day teed off for the first time at Palmerston Golf Course. September was another busy month, with both a training session on Section J of the NCC coming to Darwin, as well as a site visit to Charles Darwin University.
The Section J training was an interesting look at what could possibly lie ahead for the region if adopted.

The site visit to CDU included a tour through the Casuarina Campus’ thermal energy storage system, BMS monitoring system and some of the refrigeration training tools used onsite. We were also joined by two new committee members in 2019: Ahmed Amish, M.AIRAH, from Aurecon and Matt Hoogland, M.AIRAH, from Hoogland Consult.

Queensland

Some of the highlights in the 2019 calendar for Queensland were the new events introduced, and shared success stories from the region.

The year commenced with a members-only tour to the much-celebrated and award-winning Aurecon Offices at 25 King St, Australia’s tallest commercial cross-laminated-timber office building.

In March, we held a session on building control and MSSB Best Practices, which drew so much interest it was run again in Townsville in August. Other sessions held throughout the year looked at some interesting new technologies such as vacuum waste systems, the future of refrigerants, NCC 2019 changes, and back to basics on compressors.

August was a busy month, particularly in North Queensland, which hosted Industry Nights in Cairns and Townsville, each boasting about 80 attendees.

At the Cairns event, the regional winner of the World Skills Competition, which had been contested at Cairns TAFE that day, was announced.

This year’s Brisbane Industry Night was a sell-out, and achieved a new record attendance, with almost 400 people through the doors. We also took the Industry Nights back to the Gold Coast for the first time since 2010, which was very well received, with more than 100 registering to attend.

Throughout the year, two Women of AIRAH events were held: a breakfast in Brisbane during Queensland Women’s Week, and then later on in August in Cairns, an after-work networking session. The year concluded with the President’s Social, which was held at a Brisbane icon, the XXX Brewery. Members and guests enjoyed an entertaining tour and Q&A, followed by a celebration of the members who achieved milestones during the year.

South Australia

AIRAH’s South Australian division held three technical events, an Industry Night as well as its popular annual SA Apprentice Awards event.

With a front-page feature on the cover of Ecolibrium, it was only fitting to arrange a site visit to the UniSA Cancer Research Institute. Attendees were amazed at how the new facility was put together with clever initiatives implemented in the multi-million-dollar project.

The annual SA Apprentice Awards evening was a great night as always. Eight nominees were required to sit in an interview with the SA committee and answer HVAC&R-related questions before the evening. This process helped determine award recipients.

To conclude 2019, the Adelaide Industry Night was the industry event not to be missed, with a total number of 145 attendees. All exhibitors were very pleased with the attendance, getting good contacts and showing off their new and improved products and services.
Tasmania

The Tasmanian division commenced events in February, with the Hobart Industry Night followed by the Bob Lewer Memorial Golf Day the following day. The Industry Night had a something of a shake-up this year, with a small seminar held on refrigerants during the event. This enabled attendees to gain insight on a popular topic; the initiative will certainly be considered for future Industry Nights.

A highlight of the year was the Repat Hospital Site Visit, with this project also being nominated for an AIRAH Award. Attendees were first invited to watch a short presentation, then walk over to the hospital and observe the changes that had been implemented.

Victoria

Under the leadership of state committee President Gary Ward, M.AIRAH, there were seven divisional events in 2019, three Industry Nights, as well as the annual Golf Day and a new addition to the calendar, a Trivia Night.

The average attendance at divisional seminars and site visits was 40, representing healthy growth from 2018. The Victorian committee put together a strong line-up of events, which was reflected in the attendance figures.

Standout events in Victoria were the NCC 2019 update, and seminars dedicated to kitchen exhausts and to building controls. The new Trivia Night also earned considerable positive feedback. Attendees at the annual Golf Day were delighted to see it return to Kew Golf Club.

The Industry Nights were spread across a number of regions. The annual Melbourne Industry Night was again hosted at Caulfield Racecourse. After three years, the Geelong Industry Night returned to the calendar of events, and the Industry Night phenomenon also visited Shepparton.

Western Australia

In 2019, AIRAH’s WA division continued to be well supported by 10 dedicated industry representatives on the WA Committee, delivering two site visits, four technical division meetings, the annual WA Members’ Golf Day, Perth Industry Night, Members’ Lunch and end-of-year President’s Shout.

For the first time, AIRAH’s WA division held an HVAC&R Emerging Trends Symposium and a lawn bowls social event. Women Of AIRAH WA held three events thanks to our WA WOA state sponsors and throughout 2019, WA was supported by 29 generous sponsor organisations. Overall, the WA division saw more than 880 industry representatives attend events for professional development and networking.

Paul Jackson, F.AIRAH, completed his third and final year as WA committee President and handed over the position to long-serving WA Committee Member, Chris Bong, M.AIRAH, for 2020.

Respected industry doyen Graham Boyle, F.AIRAH, resigned from the WA committee after a record commitment of 27 years, after beginning his membership in 1992. We thank both Paul and Graham for their dedication and valuable contribution to the WA division.
AIRAH’s Education and Training department continues to increase our presence as the educator for the HVAC&R industry. 2019 saw an increase in the number of programs delivered to the industry. This included 10 in-house educational programs and 43 face-to-face seminars around Australia and New Zealand. The following companies arranged in-house training: BGIS Technical Services, VAE Group, Mt Isa Mines, Fonterra, Western Refrigeration, IRHACE (NZ) and Teys.

A total of 1,321 people attended a variety of professional development programs during 2019, up from 1,236 people in 2018. The continuing increase in training numbers over the past few years has also been because of the increased offerings in the online courses AIRAH is developing for industry, allowing a wider range of members and industry to undertake education programs from remoter areas of Australia.

The AIRAH Accredited Professional Diploma of Building Services – HVAC&R continued its enrolment momentum, with another 75 students beginning the program in 2019. This takes the total student enrolment since its inception in 2016 to more than 230 students. The program is continuing to be the industry’s must-do onboarding and upskilling education resource. In 2019 we started a technical review and online redesign of the program to ensure that AIRAH continues to deliver a professional program that meets the needs of its students.

2019 was one of the busiest on record for the AIRAH conferences. More than 680 industry professionals in total attended the five conferences held during 2019, up from 540 in 2018. The highlight of the conference program was the Future of HVAC Conference in Brisbane, seeing a record number of attendance at 231 delegates and the running of the inaugural Big Data and Analytics Forum in Sydney, which saw 119 people attend.

The following face-to-face and online training programs were updated, redeveloped and released in 2019:

- AIRAH-accredited Professional Certificate in HVAC&R Fundamentals online program
- Flammable Refrigerant Safety Guide Online Resource
- Building Ventilation (AS1668.2 and AS1668.4) full-day seminar
- Building Tuning full-day seminar
- Section J full-day course to reflect the changes to the NCC 2019 release.

Redevelopment of the AIRAH-accredited Professional Diploma of Building Services – HVAC&R has begun.

A scan of a range of older existing AIRAH education programs took place in order to review and see where value can be gained by updating these to accommodate today’s HVAC&R industry.

Plans are in place to update and re-release the old Graduate Certificate in Air Conditioning Code Compliance, making it the logical next step after students complete the Professional Diploma of Building Services – HVAC&R program. AIRAH will also be looking at redeveloping and re-releasing the previous Vocational Graduate Certificate in Energy Efficient Design.

2019 has seen AIRAH’s best results for the conferences, education and training offerings.
Publications

AIRAH’s official journal, Ecolibrium, and its trade-focused magazine, HVAC&R Nation, were once again the leading industry publications in Australia, with circulations of around 9,000 and 13,000 respectively.

In 2019, we produced 11 issues of Ecolibrium and featured in-depth case studies on leading-edge HVAC&R projects across Australia. These included The Cape sustainable residential development at Cape Paterson in Victoria; Arup’s gold-level WELL-rated Barrack Place headquarters in Sydney; Australia’s first Passivhaus student accommodation at Monash University; and Australia’s largest and tallest engineered timber office building, at 25 King in Brisbane.

The magazine also provided detailed updates on the National Construction Code and brought together industry experts for round-table articles on subjects such as big data, data centre cooling and HVAC acoustics. And as always, it featured articles promoting AIRAH’s forums and conferences throughout the year.

In November, Ecolibrium featured AIRAH’s inaugural salary survey – a report that provoked several follow-up inquiries from readers. Following its success, the survey will be run every two years.

In its 10 issues throughout the year, HVAC&R Nation highlighted important issues affecting the trade audience, including flammable refrigerants, HVAC hygiene, digital diagnostics and refrigerant recovery. It also provided a forum for little-known but vital applications of HVAC&R in areas such as blood refrigeration, flood recovery and aquaculture.

The HVAC&R Nation publishing schedule was adjusted to accommodate a July/August issue and a December issue. This was implemented to take advantage of the summer period, when our readers are busier and more likely to frequent the wholesalers where the publication is distributed. This led to a bump in advertising revenue.

In a non-ARBS years advertising revenue was solid against budget. Some advertisers spent more on our digital channels this year, and yet feedback from our readers and stakeholders indicates that the hard-copy publications are still very popular. One challenge for the future will be how to better communicate this to advertisers, and how to offer them the best suitable mix across both print and digital. To do this, we plan to take advantage of our ever-expanding suite of digital channels, such as newsletters, social media, websites and improved digital versions of our publications.

The benefits of this kind of integrated approach were seen with the HVAC&R Search Compendium (formerly the AIRAH Industry Directory), with the 2020 edition enjoying a strong recovery.
E-news

Our e-newsletters continue to perform strongly, with both our member e-news and HVAC&R News e-newsletters enjoying strong opening rates and click-throughs.

In 2019 we issued our first issue of AIRAH Express, a quarterly e-news aimed at HVAC&R student readers.

AIRAH in the media

We produced 23 media releases in 2019 and sent them to industry and general media contacts. AIRAH also shared content with other publications as requested. Our communications and articles appeared in places such as The Cooling Post, The Fifth Estate, Accelerate, Facilities Perspectives and Climate Control News.

Website traffic

AIRAH’s website traffic continued to increase across its three main properties (airah.org.au; hvacsearch.com.au; and hvacrnews.com.au) in 2019. The launch of more user-friendly conference/forum minisites; the development of the Design Application (DA) manuals site; and continued promotion via email, at AIRAH events and through our social media channels has all helped to encourage growth in page views and users.

<table>
<thead>
<tr>
<th></th>
<th>Page Views</th>
<th>Unique Page Views</th>
<th>Users</th>
</tr>
</thead>
<tbody>
<tr>
<td>airah.org.au</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 Total</td>
<td>469,000</td>
<td>359,000</td>
<td>71,000</td>
</tr>
<tr>
<td>2019 Total</td>
<td>530,000</td>
<td>410,000</td>
<td>84,000</td>
</tr>
<tr>
<td>Difference</td>
<td>+13%</td>
<td>+14%</td>
<td>+18</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Page Views</th>
<th>Unique Page Views</th>
<th>Users</th>
</tr>
</thead>
<tbody>
<tr>
<td>hvacsearch.com.au</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 Total</td>
<td>87,000</td>
<td>52,400</td>
<td>10,400</td>
</tr>
<tr>
<td>2019 Total</td>
<td>97,000</td>
<td>66,000</td>
<td>23,000</td>
</tr>
<tr>
<td>Difference</td>
<td>+12%</td>
<td>+26%</td>
<td>+121%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Page Views</th>
<th>Unique Page Views</th>
<th>Users</th>
</tr>
</thead>
<tbody>
<tr>
<td>hvacrnews.com.au</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018 Total</td>
<td>48,000</td>
<td>41,500</td>
<td>18,000</td>
</tr>
<tr>
<td>2019 Total</td>
<td>87,000</td>
<td>77,000</td>
<td>36,500</td>
</tr>
<tr>
<td>Difference</td>
<td>+81%</td>
<td>+86%</td>
<td>+103%</td>
</tr>
</tbody>
</table>
Social media
With daily posts going out across AIRAH’s Facebook, LinkedIn and Twitter channels, our audience continues to grow. Social media has been an excellent communication tool to let our followers and those in the industry engage, share and become aware of AIRAH’s activities and important HVAC&R news and updates. This has been particularly true on LinkedIn, where engineering professionals have been the target audience.

Each of our events is put up on Facebook, reaching a total of 21,100 people. Throughout 2019, we have also made use of paid social media promotion on Facebook and LinkedIn to drive targeted audience engagement in the promotion of conferences, forums and Industry Nights.

Newsletters
In 2019, AIRAH sent out more than 250 different promotional topics (including bi-weekly member and HVAC&R News newsletters; the promotion of divisional events, Industry Nights, conferences, forums, and education/training opportunities; campaigns around becoming an AIRAH member; and opportunities for participation in the 2020 HVAC&R Search Compendium) with a delivery of more than 500,000 emails sent. The student-oriented AIRAH Express newsletter was also launched in 2019, and sent to a mailing list of student members, education partners and teachers.

Podcasts
The AIRAH on Air podcast was launched on SoundCloud in November 2018. Following its trial of activity on the music streaming platform, the podcast – featuring adaptations of stories from Ecolibrium and recordings from AIRAH events such as Refrigeration 2019 and the Melbourne Forum – officially launched on Apple Podcasts and Spotify in October 2019. To-date, 14 episodes have been released and listened to more than 2,000 times. A planned program of activity is set for 2020, with topics including the professional registration of engineers and an overview of James Harrison, tied in with AIRAH’s Centenary activities.
Promoting our events: calendars, photos/videos, sponsorship decks

Each month, a calendar image was launched on AIRAH’s socials to highlight key upcoming dates (including the closing of call for speakers/abstracts for conferences and forums; divisional events; professional development opportunities; and publication dates for technical resources, including DA15 Air Filters and Cleaning Devices and DA19 HVAC&R Maintenance.)

At our major events, photos and videos were captured and recorded to give AIRAH’s audience a recap of what went on and the scope/size of our activities. This included photos at Refrigeration 2019, Building Physics 2019, and the AIRAH Awards, plus photo/video captured at The Future of HVAC 2019 and some of our Industry Night events.

Following our major events, decks were put together to recap the promotional activity and audience for our sponsors and potential sponsors at future iterations.

Industry Nights

In 2019, in addition to promoting our Industry Nights on our typical channels, AIRAH exclusively encouraged registrations for our 17 Industry Night events through the Eventbrite platform. This was done to increase exposure to outside audiences searching for events on the popular ticketing site. Over 21,600 people viewed these events and a total of 3,000 registrations were collected.
Partner promotions

In 2019, AIRAH helped lead partner promotions for the Global Cooling Prize and the first-ever World Refrigeration Day. Our involvement with the Global Cooling Prize was run through socials and in our publications, helping to align AIRAH with other coalition partners working in the air conditioning and innovation industry such as Rocky Mountain Institute, ASHRAE, Project Drawdown, Virgin Unite, the United Nations Environment Programme, and the WWF.

Held on June 26, World Refrigeration Day similarly provided AIRAH with the chance to increase exposure of the HVAC&R industry. Through a landing page on AIRAH’s website and social media promotion, AIRAH was able to promote the sector through a shareable, downloadable flyer and highlight our members’ activities through a series of profile images and questions.
Salary survey
For the first time ever, AIRAH conducted a salary survey of the Australian HVAC&R industry. Nearly 500 people participated, providing benchmarks of the sector’s prosperity and stability. The plan is to conduct the survey every two years to provide comparative information/trends.

The results of the 2019 salary survey were exclusively released to members as a six-page feature in November’s Ecolibrium and as a landing page on the AIRAH website in December. The general public is able to hear more about it via a December podcast episode (“A career in a prosperous, stable industry? HVAC&R Salary Survey results”) before its January public release via airah.org.au

AIRAH Registered Professional Engineer
In 2019, AIRAH also commenced work on its branding for the launch of the AIRAH Registered Professional Engineer (ARPEng) program. This included the development of an airah.org.au mini-site, which links through to the registration process; explains the continuing professional development requirements; and serves as a resource for all the relevant documents.

Innovation Hub for Affordable Heating and Cooling
In late 2019, the Innovation Hub for Affordable Heating and Cooling (iHub) was launched via a press release by the Australian government’s Australian Renewable Energy Agency (ARENA). AIRAH promoted this through its news channels, including an email sent to more than 13,000 people. The iHub website will continue to develop through to 2022 as subprojects in the smart building data clearing house, living laboratory accelerators, and integrated design studios release reports and findings. AIRAH has also launched Facebook, LinkedIn and Twitter accounts for iHub, which can be found via @iHubAustralia.

Centenary
In the lead up to 2020 and AIRAH’s 100-year anniversary, branding and activities have been confirmed and developed. This includes a Centenary logo, Outlook 2020 Conference/Awards branding, and the airah100.org.au website. Throughout 2020, the website will feature insights into AIRAH as an organisation; highlight coming events; point to member activities, scholarship opportunities, the importance of HVAC&R, and predictions as to where the industry will go in the next 100 years.
In most cases, an organisation’s total carbon footprint cannot be calculated exactly because of inadequate knowledge of and data about the complex interactions between contributing processes, including the influence of natural processes that store or release carbon dioxide. For this reason, Wright, Kemp, and Williams proposed the following definition of a carbon footprint:

“A measure of the total amount of carbon dioxide (CO₂) and methane (CH₄) emissions of a defined population, system or activity, considering all relevant sources, sinks and storage within the spatial and temporal boundary of the population, system or activity of interest. Calculated as carbon dioxide equivalent using the relevant 100-year global warming potential.”

**A breakdown of the AIRAH carbon footprint measurement**

To transition to a low-carbon organisation, AIRAH is committed to:

- Measure, report and communicate our carbon emissions
- Integrate carbon-reduction efforts into our business strategies
- Invest in low-carbon initiatives and technologies
- Lead in dialogues with policy makers, members, employees and suppliers
- Collaborate with other industry leaders to accelerate climate action.

<table>
<thead>
<tr>
<th>Business Activities – FY 2019</th>
<th>Tonnes of CO₂e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotels and restaurants – (conferences, events, seminars, etc)</td>
<td>203.61</td>
</tr>
<tr>
<td>Paper-based products – (Ecolibrium, HVAC&amp;R Nation, DA Manuals, etc)</td>
<td>126.00</td>
</tr>
<tr>
<td>Food and drink products</td>
<td>50.25</td>
</tr>
<tr>
<td>Electricity</td>
<td>35.02</td>
</tr>
<tr>
<td>Flights</td>
<td>30.99</td>
</tr>
<tr>
<td>Computers and IT equipment</td>
<td>12.38</td>
</tr>
<tr>
<td>Travel by public transport</td>
<td>3.21</td>
</tr>
<tr>
<td>Telephone, mobile calls</td>
<td>2.96</td>
</tr>
<tr>
<td>Insurance</td>
<td>2.46</td>
</tr>
<tr>
<td>Furniture and other manufactured goods</td>
<td>2.39</td>
</tr>
<tr>
<td>Travel by taxi</td>
<td>0.36</td>
</tr>
<tr>
<td>Travel by car – average petrol</td>
<td>0.33</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>469.96</strong></td>
</tr>
</tbody>
</table>

**AIRAH CARBON FOOTPRINT**
Financial Report
For the year ended December 31, 2019
The directors present their report, together with the financial statements, on the company for the year ended December 31, 2019.

Directors
The names of each person who has been a director during the year and to the date of this report are:

■ Bryon Price
■ Chris Flanagan  
  (Resigned on May 23, 2019)
■ Ian Harwood
■ Liza Taylor
■ Dr Nathan Groenhout
■ Paul Jackson
■ Stefan Jensen
■ Ura Sarfejoo  
  (Elected on May 23, 2019)

Principal Activities
The Australian Institute of Refrigeration, Air Conditioning and Heating (AIRAH) is an independent, specialist, not-for-profit technical organisation providing leadership in the HVAC&R sector through collaboration, engagement and professional development.

As Australia’s leading HVAC&R organisation it represents a membership – and an industry – that is crucial to our community’s comfort, health and safety.

AIRAH Vision
Safe, sustainable, healthy and efficient environments.

AIRAH Mission
To provide leadership, promotion, representation and support to the air conditioning, refrigeration, heating and related services industry and membership.

AIRAH Objectives
To provide leadership, promotion, representation and support to the air conditioning, refrigeration, heating and related services industry and membership. In order to achieve these objectives, AIRAH provides:

- Professional and ethical standards
- Technical resources and access to knowledge
- Professional development, education and training, and accreditation programs
- Communication to members, industry and stakeholders
- Industry leadership, representation and advocacy
- Growth and retention of membership
- Sound finance and administration.
To achieve these objectives, the institute has adopted the following strategic aims:

**AIRAH Strategic Aims**

- Promote and develop tomorrow’s efficient, productive and resilient industry
- Grow industry skills and capability for the future
- Inform regulation and policy processes
- Build member value and engage members.

**Promote and develop tomorrow’s efficient, productive and resilient industry**

Through its conferences, publications, manuals and training, AIRAH will educate and motivate the HVAC&R industry and related fields about achieving an efficient, productive and resilient industry. Many organisations talk about these concepts, our aim is to be the HVAC&R organisation whose values are able to deliver on this.

**Grow industry skills and capability for the future**

At a time of rapid change of new technology and standards and a shifting regulatory landscape, AIRAH will provide appropriate and relevant professional development for HVAC&R industry personnel, and work alongside government and other providers to ensure the voids, where they exist in formal training, are filled.

**Inform regulation and policy decisions**

As the key industry organisation representing HVAC&R in Australia, it is essential AIRAH collaborate with government at both the state and federal levels. In this way the collective skills and specialist knowledge contained within the Institute can better inform the decisions that affect society in general and the HVAC&R industry in particular.

**Build and engage membership**

AIRAH will become the institute of choice for HVAC&R professionals in Australia. This means ensuring that formal connection with AIRAH provides benefits – actual and intangible – that are valuable, worthwhile and attractive to our members throughout their professional lives.
Information on directors

Ian Harwood
Title: President
Experience and expertise: Associate Director, Norman Disney & Young
AIRAH member since 1996

Bryon Price
Title: Director
Experience and expertise: Strategic Development Director, A.G Coombs Group of Companies
AIRAH member since 2000

Stefan Jensen
Title: Director
Experience and expertise: Managing Director, Scantec
AIRAH member since 1985

Ura Sarfejoo
Title: Director
Appointed May 23, 2019
Experience and expertise: Country Leader, Integrated Technologies – Digital Solutions at Johnson Controls
AIRAH member since 2016

Liza Taylor
Title: Director
Experience and expertise: Director Global IQ Group
AIRAH Member since 2014

Paul Jackson
Title: Director
Experience and expertise: National Contracts Manager for Engineering Commissioning Services
AIRAH member since 2004

Chris Flanagan
Title: Director
Resigned May 23, 2019
Experience and expertise: Regional Manager, Schneider Electric
AIRAH member since 2005

Dr Nathan Groenhout
Title: Director
Completed term on May 8, 2018;
Appointed Discretionary Director November 15, 2018
Experience and expertise: Director Global IQ Group
AIRAH member since 2005
MEETINGS OF DIRECTORS

<table>
<thead>
<tr>
<th>Director</th>
<th>Number eligible to attend</th>
<th>Number attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bryon Price</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Chris Flanagan</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Nathan Groenhout</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Ian Harwood</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Liza Taylor</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Paul Jackson</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Stefan Jensen</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Ura Sarfejoo</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

The institute is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the institute is wound up, the constitution states that each member is required to contribute a maximum of $10 each towards meeting any outstanding obligations of the institute.

Auditor’s independence declaration

The lead auditor’s independence declaration for the year ended 31 December 2019 has been received and can be found on page 4 of the financial report.

This directors’ report is signed in accordance with a resolution of the Board of Directors.

On behalf of the directors

Ian Harwood
Director

23rd of March, 2020
Melbourne
AUDITOR’S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012 TO THE DIRECTORS OF THE AUSTRALIAN INSTITUTE OF REFRIGERATION, AIR CONDITIONING AND HEATING INC

I declare that, to the best of my knowledge and belief during the year ended 31 December 2019 there have been:

i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-Profits Commission Act 2012 in relation to the audit;

and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck Audit [Vic] Pty Ltd
ABN 59 116 151 136

A. P. MARKS
Director

Dated this 23rd day of March, 2020
For the year ended 31 December 2019

<table>
<thead>
<tr>
<th></th>
<th>Note</th>
<th>2019 $</th>
<th>2018 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td>4,292,546</td>
<td>4,265,452</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee provisions expense</td>
<td></td>
<td>(1,877,786)</td>
<td>(1,816,362)</td>
</tr>
<tr>
<td>Client support services expenses</td>
<td></td>
<td>(550,195)</td>
<td>(506,969)</td>
</tr>
<tr>
<td>Finance costs</td>
<td></td>
<td>(23,226)</td>
<td>(17,909)</td>
</tr>
<tr>
<td>Service to industry</td>
<td></td>
<td>(1,009,612)</td>
<td>(990,420)</td>
</tr>
<tr>
<td>Professional development expenses</td>
<td></td>
<td>(797,198)</td>
<td>(551,446)</td>
</tr>
<tr>
<td><strong>Surplus before income tax expense</strong></td>
<td></td>
<td>34,530</td>
<td>382,346</td>
</tr>
<tr>
<td>Income tax expense</td>
<td></td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td></td>
<td>34,530</td>
<td>382,346</td>
</tr>
</tbody>
</table>

**Other comprehensive income for the year, net of tax**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net gain (loss) on revaluation of financial assets</td>
<td>138,152</td>
<td>656</td>
</tr>
<tr>
<td>Gain on revaluation of buildings</td>
<td>—</td>
<td>1,018,166</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the year</strong></td>
<td>172,682</td>
<td>1,401,168</td>
</tr>
</tbody>
</table>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.
As at 31 December 2019

<table>
<thead>
<tr>
<th>Assets</th>
<th>Note</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
<td>1,519,491</td>
<td>1,507,802</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>5</td>
<td>149,287</td>
<td>360,360</td>
</tr>
<tr>
<td>Inventories</td>
<td>6</td>
<td>46,540</td>
<td>70,078</td>
</tr>
<tr>
<td>Other assets</td>
<td>7</td>
<td>261,000</td>
<td>188,964</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td><strong>1,976,317</strong></td>
<td><strong>2,127,204</strong></td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>8</td>
<td>2,241,797</td>
<td>1,904,183</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>9</td>
<td>2,263,536</td>
<td>2,343,691</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td></td>
<td><strong>4,505,333</strong></td>
<td><strong>4,247,874</strong></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td><strong>6,481,650</strong></td>
<td><strong>6,375,078</strong></td>
</tr>
</tbody>
</table>

| Liabilities     |      |       |       |
| **Current liabilities** | |       |       |
| Trade and other payables | 10   | 957,396 | 1,019,758 |
| Provisions      | 11   | 108,948 | 115,484 |
| **Total current liabilities** | | **1,066,344** | **1,135,242** |
| **Non-current liabilities** | |       |       |
| Provisions     | 11   | 21,821  | 19,034 |
| **Total non-current liabilities** | | **21,821** | **19,034** |
| **TOTAL LIABILITIES** | | **1,088,165** | **1,154,276** |
| **NET ASSETS** | | **5,393,485** | **5,220,802** |

| Equity          |      |       |
| Retained earnings |     | 3,350,299 | 3,315,699 |
| Reserves        |      | 2,043,256 | 1,905,103 |
| **TOTAL EQUITY** |     | **5,393,485** | **5,220,802** |

The above statement of financial position should be read in conjunction with the accompanying notes.
For the year ended 31 December 2019

<table>
<thead>
<tr>
<th>Asset</th>
<th>Market</th>
<th>Movement</th>
<th>Revaluation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2018</td>
<td>2,933,353</td>
<td>95,583</td>
<td>720,404</td>
<td>70,294</td>
</tr>
<tr>
<td>Surplus for the year</td>
<td>382,346</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

Other comprehensive income for the year

<table>
<thead>
<tr>
<th>Asset</th>
<th>Market</th>
<th>Movement</th>
<th>Revaluation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net gain on revaluation of financial assets</td>
<td>—</td>
<td>656</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Balance at 31 December 2018</td>
<td>3,315,699</td>
<td>96,239</td>
<td>1,738,570</td>
<td>70,294</td>
</tr>
</tbody>
</table>

Balance at 1 January 2018 | 3,315,699 | 96,239 | 1,738,570 | 70,294 | 5,220,802 |
| Surplus for the year | 34,530 | — | — | — | 34,530 |

Other comprehensive income for the year

<table>
<thead>
<tr>
<th>Asset</th>
<th>Market</th>
<th>Movement</th>
<th>Revaluation</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net gain on revaluation of financial assets</td>
<td>—</td>
<td>138,152</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Balance at 31 December 2019</td>
<td>3,350,229</td>
<td>234,391</td>
<td>1,738,570</td>
<td>70,294</td>
</tr>
</tbody>
</table>

For a description of each reserve, refer to Note 18.
For the year ended 31 December 2019

<table>
<thead>
<tr>
<th>Cash flows from operating activities</th>
<th>Note</th>
<th>2019 $</th>
<th>2018 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receipt from customers</td>
<td></td>
<td>4,396,451</td>
<td>4,161,629</td>
</tr>
<tr>
<td>Payments to suppliers and employees</td>
<td></td>
<td>(4,201,944)</td>
<td>(3,800,758)</td>
</tr>
<tr>
<td>Interest received</td>
<td></td>
<td>30,862</td>
<td>32,266</td>
</tr>
<tr>
<td><strong>Net cash generated from operating activities</strong></td>
<td>16</td>
<td><strong>225,369</strong></td>
<td><strong>393,137</strong></td>
</tr>
</tbody>
</table>

| Cash flows from investing activities              |      |         |        |
| Payments for property, plant and equipment        |      | (14,221) | (40,807) |
| Investments in term deposits                      |      | (199,459) | (265,351) |
| **Net cash (used in) investing activities**       |      | **(213,680)** | **(306,158)** |

Net increase / (decrease) in cash held            |      | 11,689   | 86,979 |
Cash on hand at beginning of the financial year   |      | 1,507,802 | 1,420,823 |
**Cash on hand at end of the financial year**     | 4    | **1,519,491** | **1,507,802** |

The above statement of cash flows should be read in conjunction with the accompanying notes.
Note 1 Summary of Significant Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The institute has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (‘AASB’) that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the institute.

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

- AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities
- AASB 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2015-1 Amendments to Australian Accounting Standards (Parts A to C)

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and Australian Charities and Not-for-Profits Commission Act 2012. The Institute is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue at a duly convened meeting by the directors of the company.
Accounting Policies

(a) Revenue

The Institute’s annual membership subscription for the year is payable in advance. Only those membership subscription receipts, which are attributable to the current financial year commencing 1st January, are recognised as revenue. “Casual Membership” receipts, which entitles any person or organisation to participate in programs or activities of the Institute are recognised as revenue on commencement of the program or activity.

The Institute undertakes other revenue generating activities such as periodic member publications, education courses, conferences and exhibitions.

Non-reciprocal grant revenue is recognised in profit or loss when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax.

(b) Inventories

Inventories are measured at the lower of cost and net realisable value. Inventories held for distribution are measured at cost adjusted, when applicable, for any loss of service potential.

Inventories acquired at no cost, or for nominal consideration, are valued at the current replacement cost as at the date of acquisition.

(c) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and any impairment losses.

Freehold Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors’ valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.
Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost, or for nominal cost, are initially recognised and measured at the fair value of the asset at the date it is acquired.

**Plant and Equipment**
Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(f) for details of impairment).

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

**Depreciation**
The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis and diminishing value over the asset’s useful life to the entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

<table>
<thead>
<tr>
<th>Class of Fixed Asset</th>
<th>Depreciation Rate</th>
<th>Depreciation Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>2.5%</td>
<td>Diminishing value</td>
</tr>
<tr>
<td>Plant and equipment</td>
<td>20% to 25%</td>
<td>Diminishing value</td>
</tr>
<tr>
<td>Office equipment</td>
<td>40% to 60%</td>
<td>Diminishing value</td>
</tr>
<tr>
<td>Office fit out</td>
<td>20%</td>
<td>Straight-line</td>
</tr>
</tbody>
</table>

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(d) **Leases**
Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the entity, are classified as finance leases.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the entity will obtain ownership of the asset. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.
(e) Financial Instruments

Initial Recognition and Measurement
Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the institute commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified ‘at fair value through profit or loss’ in which case transaction costs are recognised immediately as expenses in profit or loss.

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit or loss
Financial assets are classified at “fair value through profit or loss” when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the institute’s intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(f) Impairment of Assets

At the end of each reporting period, the entity assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset’s fair value less costs to sell and value in use, to the asset’s carrying amount. Any excess of the asset’s carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (e.g. in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(g) Employee Benefits

Short-term employee benefits
Provision is made for the Institute’s obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Institute’s obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position.
Other long-term employee benefits
The institute classifies employees’ long service leave and annual leave entitlements as other long-term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the institute’s obligation for other long-term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

The Institute’s obligations for long-term employee benefits are presented as non-current liabilities in its statement of financial position, except where the Institute does not have an unconditional right to defer settlement for at least twelve months after the reporting date, in which case the obligations are presented as current liabilities.

Retirement benefit obligations
Defined contribution superannuation benefits
All employees of the institute receive defined contribution superannuation entitlements, for which the institute pays the fixed superannuation guarantee contribution (revised from 9.25% to 9.5% with effect from 1 July 2015) to the employee’s superannuation fund of choice. All contributions in respect of employees’ defined contribution entitlements are recognised as an expense when they become payable. The institute’s obligation with respect to employees’ defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the institute’s statement of financial position.

(h) Cash and Cash Equivalents
Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(i) Goods and Services Tax (GST)
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Income Tax
No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the Income Tax Assessment Act 1997.

(k) Intangibles
Software
Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of between 2 and 3 years. It is assessed annually for impairment.
(l) Provisions
Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(m) Comparative Figures
Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(n) Trade and Other Payables
Trade and other payables represent the liabilities for goods and services received by the institute during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(o) Critical Accounting Estimates and Judgements
The directors evaluate estimates and judgements incorporated into the financial statements 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 institute.

Key Estimates
Valuation of freehold land and buildings
The freehold land and buildings were independently valued at 15 January 2019 by Charter Keck Cramer. The valuation was based on the fair value less cost to sell. The critical assumptions adopted in determining the valuation included the location of the land and buildings, the current strong demand for land and buildings in the area and recent sales data for similar properties.

Key Judgements
Employee benefits
For the purpose of measurement, AASB 119: Employee Benefits (September 2011) 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 services. As the Institute expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12 month period that follows (despite an informal Institute policy that requires annual leave to be used within 18 months), the Directors believe that obligations for annual leave entitlements satisfy the definition of other long-term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.
### Note 2  Revenue

<table>
<thead>
<tr>
<th></th>
<th>2019 $</th>
<th>2018 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscription Income</td>
<td>802,071</td>
<td>800,627</td>
</tr>
<tr>
<td>Education, Conference and Exhibition Income</td>
<td>2,228,302</td>
<td>1,969,217</td>
</tr>
<tr>
<td>Publications Income</td>
<td>935,002</td>
<td>1,002,539</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>174,582</td>
<td>348,765</td>
</tr>
<tr>
<td></td>
<td><strong>4,139,957</strong></td>
<td><strong>4,121,148</strong></td>
</tr>
</tbody>
</table>

**Other revenue**

<table>
<thead>
<tr>
<th></th>
<th>2019 $</th>
<th>2018 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received on investments in fixed interest securities</td>
<td>30,862</td>
<td>32,266</td>
</tr>
<tr>
<td>Returns from Investment Funds</td>
<td>121,727</td>
<td>112,038</td>
</tr>
<tr>
<td></td>
<td><strong>152,589</strong></td>
<td><strong>144,304</strong></td>
</tr>
</tbody>
</table>

**Total**

**4,292,546**  **4,265,452**

### Note 3  Expenses

<table>
<thead>
<tr>
<th></th>
<th>2019 $</th>
<th>2018 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions to defined contribution superannuation funds</td>
<td>153,259</td>
<td>144,958</td>
</tr>
<tr>
<td></td>
<td><strong>153,259</strong></td>
<td><strong>144,958</strong></td>
</tr>
</tbody>
</table>

**Depreciation and amortisation:**

<table>
<thead>
<tr>
<th></th>
<th>2019 $</th>
<th>2018 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and fitting</td>
<td>2,084</td>
<td>1,010</td>
</tr>
<tr>
<td>Office fit out</td>
<td>7,390</td>
<td>8,385</td>
</tr>
<tr>
<td>Office equipment</td>
<td>7,370</td>
<td>8,094</td>
</tr>
<tr>
<td>Software</td>
<td>24,394</td>
<td>28,319</td>
</tr>
<tr>
<td>Buildings</td>
<td>53,138</td>
<td>28,684</td>
</tr>
<tr>
<td><strong>Total depreciation and amortisation</strong></td>
<td><strong>94,376</strong></td>
<td><strong>74,492</strong></td>
</tr>
</tbody>
</table>

**Auditor and Advisory fee**

<table>
<thead>
<tr>
<th></th>
<th>2019 $</th>
<th>2018 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit services</td>
<td>10,500</td>
<td>10,300</td>
</tr>
<tr>
<td>Advisory services</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Audit and Advisory Remuneration</strong></td>
<td><strong>10,500</strong></td>
<td><strong>10,300</strong></td>
</tr>
</tbody>
</table>
### Note 4  Cash on hand

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>$299,537</td>
<td>$57,802</td>
</tr>
<tr>
<td>Cash on deposit</td>
<td>$1,219,954</td>
<td>$1,450,000</td>
</tr>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td><strong>$1,519,491</strong></td>
<td><strong>$1,507,802</strong></td>
</tr>
</tbody>
</table>

### Note 5  Trade and other receivables

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current accounts receivable</td>
<td>$149,287</td>
<td>$360,360</td>
</tr>
<tr>
<td>Provision for impairment of receivables</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Other debtors</td>
<td>$149,287</td>
<td>$360,360</td>
</tr>
<tr>
<td><strong>Total current accounts receivable and other debtors</strong></td>
<td><strong>$149,287</strong></td>
<td><strong>$360,360</strong></td>
</tr>
</tbody>
</table>

### Note 6  Inventories on Hand

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>At cost</td>
<td>$46,540</td>
<td>$70,078</td>
</tr>
<tr>
<td>Inventory – AIRAH Handbook and other items</td>
<td>$46,540</td>
<td>$70,078</td>
</tr>
</tbody>
</table>

### Note 7  Other current assets

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued Income</td>
<td>$8,863</td>
<td>$5,763</td>
</tr>
<tr>
<td>Prepayments</td>
<td>$252,137</td>
<td>$183,201</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$261,000</strong></td>
<td><strong>$188,964</strong></td>
</tr>
</tbody>
</table>

### Note 8  Financial Assets

#### Non Current

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available for sale financial investments</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Shares in listed securities at fair value</td>
<td>$2,241,797</td>
<td>$1,904,183</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,241,797</strong></td>
<td><strong>$1,904,183</strong></td>
</tr>
</tbody>
</table>
Note 9 Property, Plant and Equipment

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LAND AND BUILDINGS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings at fair value</td>
<td>2,150,000</td>
<td>2,150,000</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(53,138)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total land and buildings</strong></td>
<td>2,096,862</td>
<td>2,150,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PLANT AND EQUIPMENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant and equipment at cost</td>
<td>59,066</td>
<td>59,066</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(49,936)</td>
<td>(47,852)</td>
</tr>
<tr>
<td><strong>Office fit out at cost</strong></td>
<td>344,492</td>
<td>344,492</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(313,645)</td>
<td>(306,255)</td>
</tr>
<tr>
<td><strong>Office equipment at cost</strong></td>
<td>337,874</td>
<td>330,111</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(324,735)</td>
<td>(317,365)</td>
</tr>
<tr>
<td><strong>Computer software/website costs at cost</strong></td>
<td>390,726</td>
<td>384,266</td>
</tr>
<tr>
<td>Accumulated amortisation</td>
<td>(279,657)</td>
<td>(256,150)</td>
</tr>
<tr>
<td><strong>Capitalised promotional costs</strong></td>
<td>14,981</td>
<td>14,982</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>(12,492)</td>
<td>(11,604)</td>
</tr>
<tr>
<td><strong>Total property, plant equipment</strong></td>
<td>2,263,536</td>
<td>2,343,691</td>
</tr>
</tbody>
</table>

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

<table>
<thead>
<tr>
<th></th>
<th>Land and Buildings</th>
<th>Plant and Equipment</th>
<th>Office Fitout</th>
<th>Office Equipment</th>
<th>Computer Equipment &amp; Software</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2019</td>
<td>2,150,000</td>
<td>11,214</td>
<td>38,237</td>
<td>12,746</td>
<td>131,494</td>
<td>2,343,691</td>
</tr>
<tr>
<td>Additions</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>7,763</td>
<td>6,460</td>
<td>14,223</td>
</tr>
<tr>
<td>Revaluation</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>(53,138)</td>
<td>(2,084)</td>
<td>(7,390)</td>
<td>(7,370)</td>
<td>(24,394)</td>
<td>(94,376)</td>
</tr>
<tr>
<td><strong>Balance at 31 December 2019</strong></td>
<td>2,096,862</td>
<td>9,130</td>
<td>30,847</td>
<td>13,139</td>
<td>113,558</td>
<td>2,263,536</td>
</tr>
</tbody>
</table>
Note 10  Accounts Payable and Other Payables

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>62,953</td>
<td>51,129</td>
</tr>
<tr>
<td>GST payable</td>
<td>26,440</td>
<td>19,034</td>
</tr>
<tr>
<td>Membership and subscriptions in advance</td>
<td>421,287</td>
<td>394,112</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>269,479</td>
<td>274,765</td>
</tr>
<tr>
<td>Other income in advance</td>
<td>177,237</td>
<td>280,718</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>957,396</strong></td>
<td><strong>1,019,758</strong></td>
</tr>
</tbody>
</table>

Note 11  Employee Provisions

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for employee benefits: annual leave</td>
<td>59,614</td>
<td>56,598</td>
</tr>
<tr>
<td>Provision for employee benefits: long service leave</td>
<td>49,334</td>
<td>58,886</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>108,948</strong></td>
<td><strong>115,484</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for employee benefits: long service leave</td>
<td>21,821</td>
<td>19,034</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21,821</strong></td>
<td><strong>19,034</strong></td>
</tr>
</tbody>
</table>

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience the institute does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the institute does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1(g).

Note 12  Contingent Liabilities and Contingent Assets

There are no contingent assets or contingent liabilities of a material nature.

Note 13  Events After the Reporting Period

The directors are not aware of any significant events since the end of the reporting period.
Note 14  Key Management Personnel Compensation

Key Management Personnel

<table>
<thead>
<tr>
<th>Note</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Key management personnel compensation</td>
<td>434,554</td>
<td>416,622</td>
</tr>
</tbody>
</table>

Note 15  Other Related Party Transactions

Other related parties include close family members of Key Management Personnel, and entities that are controlled or jointly controlled by those Key Management Personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

The directors act in an honorary capacity and receive no compensation for their services. The Directors receive a per diem allowance to cover out of pocket costs in fulfilling their roles.

During the year, a company (A.G. Coombs), controlled by Bryon Price, a director, provided maintenance facilities to the institute. The terms of supply were on normal commercial terms and conditions. Maintenance services provided by the company for the year totalled $7,770 (2018, $7,770).

Note 16  Cash Flow Information

Reconciliation of Cashflow from Operating Activities with Current Year Surplus

<table>
<thead>
<tr>
<th>Note</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Surplus after income tax</td>
<td>34,530</td>
<td>382,346</td>
</tr>
</tbody>
</table>

Non cash flows

Depreciation and amortisation expense | 94,376 | 74,492 |

Changes in assets and liabilities

(Increase)/decrease in accounts receivable and other debtors | 211,072 | (115,792) |
(Increase)/decrease in inventories | 23,538 | (27,367) |
(Increase)/decrease in other current assets | (72,036) | 23,660 |
Increase/(decrease) in accounts payable and other payables | 13,944 | (4,195) |
Increase/(decrease) in income in advance | (76,306) | 44,235 |
Increase/(decrease) in provisions for employee benefits | (3,749) | 15,758 |

225,369 | 393,137 |
Note 17  Financial Risk Management

The institute’s financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

<table>
<thead>
<tr>
<th>Financial assets</th>
<th>Note</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>4</td>
<td>1,519,491</td>
<td>1,507,802</td>
</tr>
<tr>
<td>Receivables</td>
<td>5</td>
<td>149,287</td>
<td>360,360</td>
</tr>
<tr>
<td>Financial assets</td>
<td>8</td>
<td>2,241,797</td>
<td>1,904,183</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td></td>
<td><strong>3,910,575</strong></td>
<td><strong>3,772,345</strong></td>
</tr>
</tbody>
</table>

Financial liabilities

Financial liabilities at amortised cost: trade and other payables* | 10 | 358,872  | 344,928 |

**Total financial liabilities** | | **358,872** | **344,928** |

*less membership, subscriptions and other income in advance

Note 18  Reserves

(a) Revaluation Surplus

The revaluation surplus records the revaluations of non-current assets.

(b) Denis Joseph Memorial Fund

To fund an award to AIRAH members over the age of 30 who have produced outstanding practical and original written contributions on the subject of the application of solar energy to refrigeration, air-conditioning and heating.

(c) Asset Market Movement

The revaluation of financial assets at market values as at 31 December 2019.
**Note 19  ARBS Exhibitions Limited**

AIRAH is 1 of 6 members which have equivalent interest in ARBS Exhibitions Ltd (ACN 087 135 555), a company limited by guarantee. The value of AIRAH’s interest is not recognised in these financial statements as AIRAH does not exercise significant influence over ARBS.

**Note 20  Entity Details**

The registered office of the entity is:
Australian Institute of Refrigeration, Air Conditioning & Heating Inc
Level 3 No.1 Elizabeth Street MELBOURNE VIC 3000

The principal place of business is:
Australian Institute of Refrigeration, Air Conditioning & Heating Inc
Level 3 No.1 Elizabeth Street MELBOURNE VIC 3000

**Note 21  Members’ Guarantee**

Every member undertakes to contribute to the assets of the Institute, and in the event of its being wound up while he or she is a member or within one year afterwards, the payment of the debts and liabilities of the Institute contracted before he or she ceases to be a member, the costs, charges and expenses of winding up, however the maximum total contribution shall not exceed the sum of $10. If the company was wound up, the 3,811 members would be liable to contribute $38,110.
The directors have determined that the institute is a reporting entity that does not have public accountability as defined in AASB 1053: Application of Tiers of Australian Accounting Standards and that these general purpose financial statements should be prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements.

In accordance with a resolution of the directors of Australian Institute of Refrigeration, Air Conditioning and Heating Inc, the directors of the institute declare that:

1. The attached financial statements and notes, are in accordance with the Australian Charities and Not-for-Profits Commission Act 2012 and:
   a. comply with Australian Accounting Standards – Reduced Disclosure Requirements; and
   b. give a true and fair view of the financial position of the institute as at 31 December 2019 and its performance for the year ended on that date.

2. In the directors’ opinion there are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable.

Ian Harwood
Director

23rd of March, 2020
Melbourne
Opinion
We have audited the financial report of Australian Institute of Refrigeration, Air Conditioning and Heating Inc. (the Company), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors’ declaration.

In our opinion the financial report of Australian Institute of Refrigeration, Air Conditioning and Heating Inc. has been prepared in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

a. giving a true and fair view of the Company’s financial position as at 31 December 2019 and of its financial performance for the year then ended; and
b. complying with Australian Accounting Standards – Reduced Disclosure Regime and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

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 Company in accordance with the auditor independence requirements of the Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other information
The directors are responsible for the other information. The other information comprises the information included in the Company’s annual report for the year ended 31 December 2019, but does not include the financial report and our auditor’s report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report
The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Regime and the ACNC Act and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company’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 directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Company’s financial reporting process.
Auditor’s responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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 Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ 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 Company’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 Company 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.

We communicate with the directors 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.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. P. MARKS
Director

Dated this 23rd day of March, 2020