

Company Registration No. 03873249

**POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693

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POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of Popai Australia & New Zealand Limited ("the company") for the year ended 31 March 2016.

Directors

Janet Bailey	Deborah Schubert-Lacinski (Resigned 30/7/2015)
Zita Watkin	Anthony Steel
Sarah Nichols (Resigned 30/7/2015)	Norrelle Goldring (Appointed 30/7/2015)
Richard Dumas (Appointed 30/7/2015)	Danny Lattouf (Appointed 30/7/2015)
Bryn Marriott (Appointed 30/7/2015)	Gary Parsons (Appointed 30/7/2015)
Simon Skidmore (Appointed 30/7/2015)	Bradly Whatmough (Appointed 9/9/2015)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the company in the course of the financial year was to engage in and promote the research, study and promotion of the point of purchase advertising industry in Australia and New Zealand.

During the financial year there was no significant change in the nature of the company's activity.

Review of Operations

The net operating profit of the company for the year ended 31 March 2016 was \$48,880 (2015: profit of \$21,198).

The entity is incorporated under the *Corporations Act 2001* and is an entity limited by guarantee. If the entity is wound up the constitution states that each member is required to contribute a maximum of \$100 each towards meeting any outstanding obligations of the entity. At 31 March 2016, the total amount that members of the company (98 members) are liable to contribute if the company is wound up is \$9,800

Dividends Paid or Recommended

The company is limited by guarantee and is prohibited by its Memorandum & Articles of Association from distributing dividends to its members and therefore no dividend has been paid or declared since the date of incorporation.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Options

The company has not at any time granted to a person an option to have issued to them shares in the company.

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Other Details

Since the end of the previous financial year no director of the company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the accounts, or the fixed salary of a full-time employee of the company or a related body corporate, by reason of a contract made by the company or a related body corporate with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

The company has not, during or since the financial year, in respect of any person who is or has been an officer or auditor of the company, or of any related body corporate:

- Indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

POPAL AUSTRALIA & NEW ZEALAND LIMITED
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DIRECTORS' REPORT (Continued)

Information on Directors Holding Office as at 31 March 2016

Janet Bailey
Chairperson

Janet is a passionate business builder and leader in the shopper marketing and brand activation space. Janet spent the last 25 years as founder and CEO of Evocatif, a communications agency that delivered integrated retail and shopper programs across a range of market sectors. Having sold the business to STW, Janet took up the role as Business Director, Shopper Marketing STW Group in 2014/15, building group wide shopper principles, capabilities and thought leadership. Janet now heads up Shopitize Pty Ltd, part of a global mobile marketing business that connects brands to shoppers online, driving them in store to purchase. Having an association with POPAI spanning almost 20 years, Janet was a foundation member of the Shopper Marketing Industry Council and picked up the inaugural POPAI Innovation award. Janet has served on the POPAI Board since 2012, most recently as Chairperson, providing strategic guidance and forging partnerships that have helped steer the evolution of the industry association.

Anthony Steel
Former Company Secretary

Anthony Steel is the Managing Director of Frank Steel Displays with over 30 years of experience in the Point of Purchase & display industry. Frank Steel Displays is a foundation member and long-term supporter of POPAI. Former Company Secretary and Director since 2009, Anthony continues to serve on the Board in support of the current Company Secretary; with regard to the governance and finances of POPAI. Anthony is also active on the boards of community service & sporting organisations.

Zita Watkin
Company Secretary

Zita Watkin is a leader in the Australian POP industry with over 18 years of marketing, design and manufacturing experience and countless creative and industry awards and accolades. As Marketing Manager at Active Display Group, one of Australia's largest and most diverse designers, manufacturers and distributors of POP Display, Zita regularly travels internationally to gather Global Insights and case studies, which she has generously shared with the membership, at POPAI events. Zita and her team at ADG are tireless industry advocates and supporters of POPAI. In 2015 ADG are POPAI's Creative and Human Resources Partners providing all Graphic Design and HR services, as well as Event Series Sponsorship of the 2015 PDS events, and Creative Design Services for POPAI's Awards Exhibition. A POPAI Board Member for the past 2 years, Zita is key in driving the Associations' direction, as well as bringing many hours of 'hands on' support to POPAI each month.

Norrelle Goldring
Vice Chairperson

A shopper, channel and category specialist and shopper marketing thought leader with 20 years' experience in FMCG and retail across manufacturer, retailer and agency roles, Norrelle has been key driver behind POPAI's expansion into shopper marketing. She has worked closely with POPAI for 6 years, including:

- Pioneering and running the Shopper Marketing Industry Benchmark Survey since its inception in 2010
- Chairing the POPAI Shopper Marketing Industry Council
- Developing and running shopper marketing training on behalf of POPAI 2010-2014
- Judging the POPAI Marketing at Retail Awards for the past 5 years
- Current service on the POPAI Executive and Awards Steering Committees
- A frequent and longstanding speaker and sharer of shopper and industry insights at POPAI PDS, conference and masterclass events.

Norrelle is a regular and well known contributor to the retail industry trade press.

Richard Dumas
Director

Richard has almost 20 years' experience in the liquor industry in Australia, UK and various European markets. With a background that includes sales, category and shopper marketing roles, he has a thorough understanding of shopper behaviour and how best to build engaging campaigns. A member of POPAI's steering committee since early 2015, Richard is deeply interested in all things shopper-related. What really gets him out of bed in the morning, however, is the challenge of getting to grips with the constantly changing dynamics of the retail channel; in particular the revolution in mobile and digital, and coming up with new and innovative solutions to inspire shoppers to buy.

POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
DIRECTORS' REPORT (Continued)

Danny Lattouf
Director

Danny has more than fifteen years of extensive experience across retail channel, advertising, online, account management, retail sales, merchandising, through to the management of large retail teams and projects. Danny has worked with brands like Microsoft (Xbox, Surface, Windows, Office, Phone), Sony Ericsson, Adidas, Dell, Meritus Hotels, Sony Pictures, Rebel, Dick Smith, Payless Shoes and more across several marketing disciplines. Danny has a passion for creating memorable and impactful retail shopper and customer experiences – both in store, online and essentially anywhere brands can be engaged and transactions can be influenced or made.

Bryn Mariott
Director

Bryn is Head of Category & Trade Marketing for Red Bull Australia Pty Ltd. A highly motivated and enthusiastic shopper marketer, category manager and commercial professional, Bryn holds more than nine years of combined FMCG experience spanning the UK and Australian retail landscape. He provides a variety of shopper marketing, category management and trade marketing perspectives having worked across a variety of categories including Beverages, Health & Beauty, Pharmaceuticals and Confectionery. Bryn is passionate about bringing a shopper focus to activating above-the-line campaigns through various marketing mix tools and shopper solutions, with experience bringing some of most famous brands and branded properties to life in-store.

Gary Parsons
Director

Gary is Business Development Manager at EDA Australasia Point of Sale Solutions. With 17 years Retail experience and 10 years Category and National Account Management experience with Brands in the UK it was a natural progression to work for EDA Australasia, who develop POS and Retail Display solutions for both Retailers and Brands, as a Business Development Manager. It has then been a natural progression to becoming an active member of POPAI ANZ who champion Shopper Marketing and POS both locally and through their global network.

Simon Skidmore
Director

Simon is Co-founder & Managing Partner of Onepartners, with more than 20 years agency experience in integrated consumer, shopper and brand experience communication. Since launching Onepartners 10 years ago the agency has attracted some of the world's largest FMCG companies and brands as clients, and was recently awarded Winner Gold and Silver (consumer & shopper marketing) at the MAA Worldwide Globes, along with Gold and two Silvers at the POPAI Marketing at Retail Awards 2014.

Brad Whatmough
Director

Well-travelled international retailer with extensive experience gained at Dixons Retail (UK), Coles and The Good Guys (Australia), and with Dell across Middle East Africa (Dubai.) Insights driven strategies have been the common factor in achieving success across all these markets. I'm proud to call Australia home, and to be part of the exciting retail industry here, as we all strive to deliver the TOTAL RETAIL experience that Australians now expect. Finding the right path has never been so important for our industry.

Meeting of Directors

During the financial year, eleven (11) Meetings of Directors were held. Attendances were:-

	Number Attended	Eligible to Attend
Anthony Steele	9	10
Janet Bailey	10	11
Zita Watkin	11	11
Simon Skidmore	8	8
Gary Parsons	8	8
Norrelle Goldring	7	7
Danny Lattouf	6	8
Richard Dumas	5	8
Bryn Marriott	3	5
Bradley Whatmough	4	5
Deborah Schubert	3	3
Sarah Nichols	2	3

POPAI AUSTRALIA & NEW ZEALAND LIMITED
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DIRECTORS' REPORT (Continued)

Proceedings on Behalf of the Entity

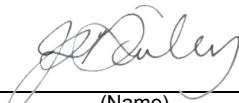
No person has applied for leave of Court to bring proceedings on behalf of the entity or intervene in any proceedings to which the entity is a party for the purpose of taking responsibility on behalf of the entity for all or any of those proceedings.

The entity was not a party to any such proceedings during the year.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 31 March 2016 has been received and can be found on page 4 of the director's report.

Signed in accordance with a resolution of the Board of Directors.



(Name)

Director

Dated this 29 day of June 2016.



PITCHER PARTNERS
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**Auditor's Independence Declaration
To the Directors of POPAI Australia & New Zealand Limited**

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2016 there have been no contraventions of:

- a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.

Pitcher Partners

Pitcher Partners

Spiro Tzannes
Partner

Dated in Sydney this 29th day of June 2016

POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 \$	2015 \$
Revenue and other income	3	599,326	586,600
Accountancy expense	4	(14,567)	(12,297)
Administration costs		(93,734)	(74,260)
Auditor's remuneration expense		(10,940)	(8,000)
Awards and expo expense		(199,737)	(155,722)
Employee benefits expense	5	(212,963)	(283,258)
Depreciation expense	5	(2,214)	(3,594)
Occupancy expense		(16,291)	(28,271)
PROFIT BEFORE INCOME TAX EXPENSE		48,880	21,198
Income tax expense		-	-
PROFIT AFTER INCOME TAX EXPENSE		48,880	21,198
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		48,880	21,198

The accompanying notes form part of these financial statements.

POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	188,323	215,277
Trade and other receivables		118,144	40,259
Prepayments		1,095	757
Inventories		3,645	1,215
TOTAL CURRENT ASSETS		<u>311,207</u>	<u>257,508</u>
NON-CURRENT ASSETS			
Property, plant and equipment	9	11,526	13,380
TOTAL NON-CURRENT ASSETS		<u>11,526</u>	<u>13,380</u>
TOTAL ASSETS		<u>322,733</u>	<u>270,888</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	54,981	56,954
Provisions	11	6,152	1,213
TOTAL CURRENT LIABILITIES		<u>61,132</u>	<u>58,167</u>
TOTAL LIABILITIES		<u>61,132</u>	<u>58,167</u>
NET ASSETS		<u>261,601</u>	<u>212,721</u>
MEMBERS' EQUITY			
Retained earnings		261,601	212,721
TOTAL MEMBERS' EQUITY		<u>261,601</u>	<u>212,721</u>

The accompanying notes form part of these financial statements.

POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2016

	Retained Earnings \$
Balance at 31 March 2013	319,524
Loss attributable to the entity	(128,001)
Balance at 31 March 2014	<u>191,523</u>
Profit attributable to the entity	21,198
Balance at 31 March 2015	<u>212,721</u>
Profit attributable to the entity	48,880
Balance at 31 March 2016	<u>261,601</u>

The accompanying notes form part of these financial statements.

POPAL AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Receipts from members		585,724	610,331
Payments to suppliers and employees		(607,818)	(599,478)
Interest received		1,475	3,451
Net cash from operating activities		<u>(20,619)</u>	<u>14,304</u>
Cash flows from investing activities			
Purchase of property and equipment		(6,335)	-
Net cash from investing activities		<u>(6,335)</u>	<u>-</u>
Increase / (Decrease) in cash and cash equivalents		(26,954)	14,304
Cash and cash equivalents at beginning of the financial year		<u>215,277</u>	<u>200,973</u>
Cash and cash equivalents at end of the financial year	8	<u>188,323</u>	<u>215,277</u>

The accompanying notes form part of these financial statements.

POPAI AUSTRALIA & NEW ZEALAND LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

Note 1: Basis of Preparation

Popai Australia & New Zealand Limited has elected to early adopt the Australian Accounting Standards – Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. As a consequence, the entity has also adopted AASB 2011-2: Amendments to Australia Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements and AASB 2011-6: Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements. This is because the reduced disclosure requirements in AASB 2011-2 and AASB 2011-6 relate to Australian Accounting Standards that mandatorily apply to annual reporting period beginning on or after 1 July 2011.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements. The company is a 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 on 29th June 2016 by the directors of the company.

Note 2: Summary of Significant Accounting Policies

(a) Income Tax

The income tax expense (benefit) for the year comprises current income tax expense (benefit) adjusted by changes in deferred tax assets and liability attributable to temporary differences and adjustment recognised for prior periods where applicable.

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (benefit) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are credited or charged directly to equity.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(b) Revenue

Interest revenue is recognised using the effective interest rate 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 members and non-members.

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

POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

Note 2: Summary of Significant Accounting Policies (continued)

(c) Inventories

Inventories are measured at the lower of cost and current replacement cost. 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.

(d) Property, Plant and Equipment

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

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 related to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 Impairment 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.

(e) 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 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 leases or the estimated useful lives of the improvements.

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

Class of Fixed Assets	Depreciation Rate
Plant and equipment	5-15%
Furniture and fixtures	5-15%

The assets' residual values are 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 included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(f) Leases

Leases are 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.

Finance leases are capitalised, recognising an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values.

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.

POPAI AUSTRALIA & NEW ZEALAND LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

Note 2: Summary of Significant Accounting Policies (continued)

(g) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(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. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(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) 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 the reporting period.

(k) Trade and Other Payables

Trade and other payables represent the liability for goods and services received by the company 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.

(l) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments 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 company.

(m) Judgement

Refer to Note 6 in respect to the judgement of the impairment of the deferred tax asset.

POPPI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016	2015
	\$	\$
3. REVENUE AND OTHER INCOME		
Service revenue	218,234	252,563
Sponsorship	119,940	40,000
Other income	259,677	290,588
Interest Income	1,475	3,450
	599,326	586,600
4. ACCOUNTANCY EXPENSES		
Accountancy fees	6,850	7,283
Bookkeeping fees	7,717	5,014
	14,567	12,297
5. EXPENSES		
Expenses:		
Loss on sale of equipment	5,975	3,265
Depreciation of property, plant and equipment:		
Plant and equipment	1,642	2,740
Furniture and fittings	572	854
Total depreciation expense	2,214	3,594
Employee Benefits		
Annual Leave	4,940	(4,714)
Salary	178,940	215,821
Superannuation	18,883	18,970
Interns	-	1,431
Contract Staff	10,200	51,750
	212,963	283,258
	221,152	290,117
6. INCOME TAX EXPENSE		
The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
	-	-
The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Prima facie tax payable on profit from ordinary activities before income tax @ 30% (2015:30%)	14,664	6,359
Add:		
Tax effect of:		
- non-deductible depreciation and amortisation		
- other non-allowable items	147,933	146,744
- Tax losses not recognised	(1,817)	(4,070)
	146,116	142,674
Less:		
Tax effect of:		
- non-taxable based member income	(160,780)	(149,033)
Income tax attributable to company	-	-
The applicable weighted average effective tax rates are as follows:	0%	0%

POPAI AUSTRALIA & NEW ZEALAND LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016	2015
	\$	\$
6. INCOME TAX EXPENSE (CONTINUED)		
<p>The weighted average effective tax rate for 2016 is nil due to the Company not recognising the deferred tax asset generated due to the tax loss for the year. The deferred tax asset has not been recognised as the likely recovered of such an asset in the future is unknown and therefore has been impaired. We also note that the company has expanded significantly its services and events to non-members which has increased the potential tax liability of the company as income from non-members is not exempt from tax.</p>		
Tax effect relating to other comprehensive income:		
Current Tax	-	-
Deferred Tax	-	-
	-	-
7. KEY MANAGEMENT PERSONNEL COMPENSATION		
The total remuneration paid to key management personnel (KMP) of the Company during the year is as follows:		
Key management personnel compensation	162,423	194,821
8. CASH AND CASH EQUIVALENTS		
Cash at bank - Operational	76,115	82,297
Cash at bank - Fixed Term Account	57,776	-
Cash on hand	350	350
Cash on Deposit	54,082	132,630
	188,323	215,277
9. PROPERTY, PLANT AND EQUIPMENT		
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	11,502	38,696
Less accumulated depreciation	(3,687)	(29,870)
Carrying amount at 31 March	7,815	8,826
Furniture and Fittings:		
At cost	9,921	10,955
Less accumulated depreciation	(6,210)	(6,401)
Carrying amount at 31 March	3,711	4,554
	11,526	13,380

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NOTES TO THE FINANCIAL STATEMENTS
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	2016	2015
	\$	\$
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:		
2016	Plant and Equipment	Furniture and Fittings
	\$	\$
		Total
		Total
Balance at 1 April 2015	8,826	4,554
Additions at cost	6,335	-
Disposals at cost	(5,704)	(271)
Depreciation expense	(1,642)	(572)
Carrying amount at 31 March 2016	7,815	3,711
		11,526

10. TRADE AND OTHER PAYABLES

GST payable	22,252	7,850
PAYG withholding	8,399	11,270
Accrued expenses	17,018	32,225
Trade creditors	7,312	5,609
	54,981	56,954

11. PROVISIONS

	Employee Benefits	Employee Benefits
	\$	\$
Opening balance at 1 April 2015	1,213	5,927
Additional provisions raised during year	4,939	-
Amounts used	-	(4,714)
Balance at 31 March 2016	6,152	1,213
	2016	2015
	\$	\$
Analysis of total provisions		
Current	6,152	1,213
Non-current	-	-
	6,152	1,213

12. MEMBERS' GUARANTEE

The company is limited by guarantee. The company's Articles of Association provide that the liability of members is limited to a maximum of \$100 each in the event of the company being wound up, being a contribution to the payment of the company's liabilities and the expenses of winding up. As at 31 March 2016, the number of members was 98 (2015: 98).

POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

	2016	2015
	\$	\$

13. EVENTS SUBSEQUENT TO REPORTING DATE

The directors are not aware of any item, transaction or event of a material and unusual nature not otherwise dealt with in the report or financial statements that has significantly affected, or may affect the operations of the Company or the state of the Company in subsequent years.

14. OPERATING LEASE COMMITMENTS

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Payable — minimum lease payments

- not later than 12 months

- between 12 months and five years

- greater than five years

	-	-
	-	-
	-	-
	<u>-</u>	<u>-</u>

15. FINANCIAL RISK MANAGEMENT

The company's financial instruments consist of mainly deposits with banks, 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:

	Note	2016 \$	2015 \$
Financial assets			
Cash and cash equivalents	8	188,323	215,277
Receivables		118,144	40,259
		<u>306,467</u>	<u>255,536</u>
Financial liabilities			
Trade and other payables	10	54,981	56,954
		<u>54,981</u>	<u>56,954</u>

16. ENTITY DETAILS

The registered office of the entity is:

POPAI Australia & New Zealand Limited

Pitcher Partners

MLC Centre, Level 22

19-29 Martin Place

Sydney NSW 2000

The principal place of business is:

Popai Australia & New Zealand Limited

Shop 4, 123 Midson Road

Epping NSW 2121

POPAI AUSTRALIA & NEW ZEALAND LIMITED
ABN: 21 072 736 693
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 MARCH 2016

1. The directors of the company declare that:

The financial statements and notes, as set out on pages 5 to 15, are in accordance with the *Corporations Act 2001* :

- a. comply with Australian Accounting Standards to the extent described in Note 1; and
 - b. give a true and fair view of the financial position as at 31 March 2016 and of the performance for the year ended on that date of the company.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors


_____ (Director)

Dated this 29 day of June 2016

Level 22 MLC Centre
19 Martin Place
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Australia

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**Independent Auditor's Report
To the Members of POPAI Australia & New Zealand Limited
A.B.N. 21 072 736 693**

Report on the Financial Report

We have audited the accompanying financial report of POPAI Australia & New Zealand Limited ("the Company"), which comprises the statement of financial position as at 31 March 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001*.

The directors' responsibility also includes establishing and maintaining internal controls as the directors determine are relevant and necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Opinion

In our opinion, the financial report of POPAI Australia & New Zealand Limited is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 31 March 2016 and of its performance for the year ended on that date; and
- b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

Pitcher Partners

Pitcher Partners



Spiro Tzannes

Partner

Dated in Sydney this 29th day of June 2016