



asa

A U S T R A L I A N
S O C I E T Y O F
A U T H O R S



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Cover image: The Travelling Joysman,
by Will Colenso



About the Australian Society of Authors

The Australian Society of Authors is the professional organisation, community and voice of Australia's writers and illustrators.

Since 1963, we've been the peak national body representing the interests of Australia's writers and illustrators. We provide advocacy, support and advice for authors in matters relating to their professional practice.

The ASA exists thanks to the support of our members, over 3000 professional and aspiring authors including novelists, biographers, illustrators, academics, cartoonists, scientists, food and wine writers, historians, graphic novelists, children's writers, ghostwriters, travel writers, romance writers, crime writers, educational writers, editors, bloggers, journalists, poets and more.

Our Purpose

Our purpose is to support writers and illustrators pursue sustainable creative careers.

Our Board



Nicholas Pickard
Chair



Helen O'Neill
Deputy Chair



Kirsty Murray
Treasurer



Liz Anelli
Director



Danielle Clode
Director



Kelly Gardiner
Director



Prasad Gollakota
Director



Sophie Cunningham
Director



Melissa Lucashenko
Director



Anne Maria Nicholson
GAICD
Director

Meet the Team



Olivia Lanchester
CEO



Jodie Spiteri-James
Professional Development
Manager



Lucy Hayward
Marketing and Communications
Manager



Lauren Anderson
Member Services Coordinator /
Style File Manager



Eunika Kurek
Contract Assessment Service
Manager



Angeles Galves
Bookkeeper



Benjamin Law delivered the 2019 Colin Simpson Memorial Lecture, discussing *Stories from the Margins*



“

For every organisation this year has been challenging and I applaud the way the staff coped with so much change and uncertainty. The level of dedication to supporting, assisting, informing and creating a community for our members has been remarkable.

”

Nicholas Pickard
Chair

13 November 2020

Chair's Report

The Australian Society of Authors' purpose is to support authors and illustrators pursue their creative career. We believe authors and illustrators create the stories and ideas that are central to our national culture and identity.

It is this argument we have taken to the Australian Government as we lead the fight to get the policy and investment support our industry deserves.

For too long, Australian literature and the authors and illustrators that sustain it have been sidelined by successive governments. Now is the time to reverse the decades long decline in government investment. If Australia wants a thriving literature sector, now is the time to invest in the development and creation of great Australian stories.

Since the last AGM, the Board has invested more time, energy and resources into our advocacy. We are acutely aware how tough it is for authors, how incomes have declined and how COVID has substantially disrupted earnings from events and appearances.

In May, the Board set a three-year strategy for the ASA, which included:

- Tracking the impact of the pandemic on creator's earnings
- Calling for the expansion of Australia's Lending Rights Schemes to include digital formats
- Campaigning for an increase in Government investment in literature, informed by an overall federal strategic plan for literature
- Pushing for author-centric copyright law reform.

The year saw the departure of Juliet Rogers as CEO at the end of 2019 and the appointment of Olivia Lanchester. Juliet handed over a smooth running organisation

with a growing member base that Olivia is now taking from strength to strength.

For every organisation this year has been challenging and I applaud the way the staff coped with so much change and uncertainty. The level of dedication to supporting, assisting, informing and creating a community for our members has been remarkable. In particular, I want to congratulate Olivia for showing extraordinary leadership throughout the year.

We have ended the financial year with a surplus, and reliable cash reserves for the year ahead. We retained a strong 72% of members through a renewal period that coincided with the COVID-19 pandemic and worsening economic conditions. As at 30 June, we had a very strong

3,321 members

after a year of impressive growth.

The constitutional change proposed for approval at this meeting is about allowing the Board to utilise more of our members to act as Ambassadors for the ASA and help elevate our profile and attract attention for our advocacy campaigns.

The current Parliamentary Inquiry has seen a wave of authors speaking out about the challenges writers face and the steps needed to ensure the sustainability of Australian literature. We would like to capitalise on this momentum but cannot just rely on our very small staff to drive all our campaigns. Bringing in ambassadors to speak for the ASA, to augment our messaging and to attract new support and media attention will amplify our efforts. The ASA is lucky to have such passionate members,

willing to improve conditions for the next generation of writers. It is a passion we can help harness.

We are also committed to seeking greater diversity in the Board, particularly through targeted appointments to ensure the ASA remains relevant to the next generation of writers and illustrators. It is work we will continue to actively pursue throughout the next year and beyond.

This year we will see some big changes on the Board and I would like to thank Chris Pash who has served the maximum term on the Board of the ASA, including as Chair. Since 2010, Chris has generously volunteered time and energy to the ASA and been instrumental to its success. We wish him well and know that we will remain in close contact.

I would also like to thank outgoing directors, Leonie Norrington, Margete Lamond and Brenton McKenna for the extraordinary service, time and commitment they showed to the ASA.

I would also like to thank the work of the entire Board, including the Executive Committee, the Investment Committee and the Nominations Committee. I am indebted to Treasurer Kirsty Murray who has given so much of her time this year, serving on 3 committees in total!

And finally, I acknowledge the CEO and staff of the ASA for their commitment, professionalism and hard work. You are all stand-outs in our community and the hard work you put into the ASA does not go unnoticed.

I look forward to an active and productive year ahead.

Nicholas Pickard

Chair

13 November 2020

“

For the ASA, the crisis has acted as a catalyst for more intense advocacy. The events of this year have keenly focused our attention on the challenges facing our members. It's also highlighted the generosity and community-minded spirit of our wonderful membership.

”

Olivia Lanchester
CEO

13 November 2020

CEO's Report

Overview

The 2019–2020 financial year has been a year of change at the ASA, with new additions to the ASA team and a changing environment in the publishing industry, caused by national and global events. I was so excited to take up the role of CEO but couldn't have imagined it would begin with a baptism of bushfire back in January followed by an office shutdown in March due to the COVID-19 pandemic. It has been a disrupted and tumultuous year for everyone.

This year, the COVID-19 pandemic saw deferred publication of titles, temporary closures of bookshops, a rush to online shopping, cancellation of festival, school and library appearances, cancellation of international book fairs, and the consequential swift pivot to digital programs. We know that the overall book market is up in Australia but that recovery came after a serious dip back in February and March when we didn't know how long the retail sector would be affected by the pandemic. Against this encouraging recovery, we are aware that many authors are still feeling the strain, having

lost not only appearance fees and promotional opportunities but crucial second jobs such as teaching and freelance writing gigs.

For the ASA, the crisis has acted as a catalyst for more intense advocacy. The events of this year have keenly focused our attention on the challenges facing our members. It's also highlighted the generosity and community-minded spirit of our wonderful membership.

Throughout this year, I have been amazed by the warm and giving attitude of authors and the publishing industry. We have seen authors band together to create #authorsforfireys led by Emily Gale, bookstores introduce home delivery of books, and authors and publishers make available free videos and activities online to entertain and educate children. When the ASA, APA (Australian Publishers Association) and ALIA (Australian Library and Information Association) came together to agree to a Virtual Storytime Policy to allow libraries and schools across Australia to continue to read stories to kids virtually, we

had nothing but support from our creators. While authors rarely earn huge sums themselves, they are very quick to give back to the community, quick to recognise the importance and value of books and ready to be part of restoration and comfort.

I have been personally touched by the message of support I've received from members seeing us do our best to help. The author community may be made up of many isolated small businesses but the camaraderie and vision has been truly cohesive.

Right at the end of the financial year, the Government announced its \$250 million arts rescue package but so far we are yet to see targeted support for authors and illustrators. Of particular concern is those who may have fallen through the cracks of JobKeeper/JobSeeker support. This concern feeds into a longer term worry about the sustainability of Australian literature absent a federal strategic plan and committed investment. This will be the focus of our advocacy efforts in the year ahead.



Left: Board meeting conducted via zoom

Right: Jodie Spiteri-James prepares for Virtual Literary Speed Dating

Highlights of 19/20 Financial Year

A summary of the highlights from 19/20 include:

- Represented our members at a series of Round Table meetings with Australia Council and the Office for the Arts, as part of the COVID crisis response
- Positive financial performance, greatly assisted by the ATO's cash flow boost
- Swift pivot to digital-only for all our professional development events, resulting in greater participation across Australia. A particular highlight was our Authors Online series which attracted 365 registrations and culminated in 14 'Takeaway Creatives' grants of \$1,000 each
- Launch of inaugural Blake-Beckett \$20,000 scholarship
- Launch of inaugural ASA HQ Commercial Fiction Prize with \$10,000 advance
- Our most successful Literary Speed Dating event yet, completely booked out, with almost 40% of participants receiving an expression of interest from a publisher or agent
- Growing membership, ending the year with a record 3,321 members
- Tom Keneally, AO receiving the ASA Medal presented by David Marr, and Ben Law's delivery of the Colin Simpson Lecture: Stories from the Margins was a special night to remember
- Establishment of an excellent partnership with Banki Haddock Fiora Lawyers, delivering legal advice to writers and illustrators negotiating their contracts
- Twenty x 20-hour mentorships with an experienced writer, editor or illustrator, funded with the generous support of Copyright Agency's Cultural Fund. Winners of the mentorships also received a one-year membership to the ASA, a free ticket to our popular Literary Speed Dating event and access to the Pathways to Publishing Program
- Publication of the second edition of the ASA's Guide to the Book Industry 2020 (a member guide)

Advocacy to 30 June 2020

By way of summary, some of our advocacy efforts this year include:

1. Ongoing Digital Lending Rights campaign

The ASA has increased pressure on the Government to expand the

PLR /ELR schemes to include digital formats. As you will know, after ASA campaigning, the current Lending Rights Schemes in Australia were set up to compensate publishers, authors and illustrators for loss of royalties when their books are loaned from libraries for free. It is time to expand the scheme beyond print books to also include ebooks and audiobooks.

During the pandemic, we know that people have read more and drawn comfort from the escapism, thrill, and solace of books. The latest Civica 2020 Libraries Index reported by ALIA showed an increase in borrowing Australian titles compared to this time last year and a sharp increase in ebook loans during social distancing. We believe the trend to digital borrowing will continue and that libraries will continue to grow their digital collections, making the introduction of digital lending rights imperative.

According to the ASA's 2020 survey, 99% of respondents who expressed a view on Digital Lending Rights were in favour of expansion of the scheme to cover digital formats.

This is evidence of overwhelming stakeholder support for change. We will continue to advocate for



Authors Online 'Takeaway Creatives' winners: Aleesah Darlison (left), Oliver Phommavanh (centre) and Tristan Bancks (right)

the expansion of the PLR / ELR schemes.

2. Response to COVID-19

We made a submission on Australia's response to COVID-19, to the Senate Select Committee on COVID-19, in May 2020.

We explained to Government that authors and illustrators were experiencing an immediate loss of income from cancelled appearances at schools, libraries and festivals; cancelled promotional tours and launches; cancelled or deferred workshops through the State and Territory Writers Centres (a significant employer of writers through their workshops); and the evaporation of casual work as teachers in schools and some universities which many authors use to supplement their income.

We also forecast that the fallout from COVID-19 for writers and illustrators would be slow and long, in contrast to the Government income assistance which is temporary.

The impact of COVID will not be uniformly felt through the author community but instead will be highly variable. While book sales are tracking well, the trend to online shopping advantages a small number of brand authors and well-known bestsellers. This

has been borne out by our survey results, in which more than 32.14% of respondents to the ASA survey said their income has decreased, with 23.3% reporting the impact on their income is still unclear. Only 6.84% of respondents said their income had increased. Concerningly, almost 34.96% of respondents said their non-writing related income had decreased too.

3. Data from Nielsen Book Australia

In April, with the generous support of Nielsen Book Australia, we arranged for ASA members to receive one-off reports on book sales, including a year to date comparison 2019 vs 2020, free of charge. Nielsen Book compiles point of sale data for print book sales across Australia. This data was intended to assist members who are sole traders apply for JobKeeper support. Our huge thanks to Nielsen for this generous support.

4. Supporting Australian stories on our screens

We made a submission in response to Supporting Australian stories on our screens, Options paper, on 29 June 2020, supporting the calls for minimum Australian screen content. By ensuring locally made content in Australia is produced and broadcast, the Government

would also be supporting authors, whose works are adapted for the screen, and publishers, who negotiate such adaptations and capitalise on renewed market interest in the book.

5. Increases to University fees

In June, the ASA wrote to the Minister for Education, calling for an abandonment of the proposed fee increases to higher education humanities and arts courses outlined in the Job-Ready Graduates Package.

This proposal ignores the critical thinking, creativity, incisiveness, problem solving, research and communication skills gained from studying the humanities. We are concerned the proposal would subject students of the arts to sizeable debts that may take them decades to pay back. What's more, raising fees risks locking out the most marginalised and disadvantaged communities from the arts altogether, at a time where greater diversity and plurality of voices is needed.

6. Parliamentary Friends

Parliamentary Friends of Australian Books and Writers (PFABW) was suspended in 2020 as social distancing precluded in-person events. We expect PFABW to be revived in 2021.



Left: ASA HQ Commercial Fiction Prize winner Sally Bothroyd
Centre: ASA Medal recipient Tom Keneally (centred) with David Marr (left) and Juliet Rogers (right)
Right: Linda Reynolds speaks at the Parliamentary Friends of Australian Books and Writers event



2019 ASA/Varuna Ray Koppe Young Writers Residency winner Hayley Scrivenor
Photo credit: [Photos by Codie](#)

Staffing

We have had several new additions to the ASA team this year, welcoming:

- Jodie Spiteri-James, our Professional Development and Events Manager
- Lucy Hayward, our Marketing and Communications Manager while Emily Banyard is on maternity leave, and
- Eunika Kurek, Contract Assessment Services Manager.

Lauren Anderson continues as our Member Service Co-ordinator, as does Angeles Galvez, as our Bookkeeper.

I am so grateful for the commitment, skill and passion of the ASA team: Lauren, Lucy, Jodie, Angeles and Eunika. It is a pleasure working with them and like so many non-profit organisations, the success of the ASA depends on the willing of a small yet diligent and generous staff to deliver disproportionately to our size.

The Year Ahead

We're off to a great start with results running ahead of Budget

for the first quarter. Lack of resources remains our biggest challenge, which is why your feedback via our survey is crucial; helping us to allocate our small resources most efficiently.

Our biggest focus recently has been the ASA's submission to the Parliamentary Inquiry into Australia's Creative and Cultural Industries and Institutions. In our view, the decline in author earnings has been building to a crisis for some time and we've called for Government to invest in writers now to fuel the creative economy of the future. You will be hearing much more about our Submission in other publications from us over the coming months.

Similarly, we will launch a series of publications to report back on author earnings in the wake of the pandemic, informed by our comprehensive survey.

We are also responding to the copyright access reforms announced on 13 August by Minister Fletcher "to better support the digital environment". These reforms purport to conclude the Government's response to copyright recommendations in the

Productivity Commission's 2016 Intellectual Property Arrangements report but, in our view, go considerably further than the consultations that have taken place over the last two years.

There are five areas of reform:

1. Introduce a limited liability scheme for orphan works
2. Introduce a new exception for quotation by educational, cultural institutions and government and persons engaged in research
3. Amend the library and archives exception
4. Reform exceptions for education exception
5. Update and streamline the government statutory licensing scheme

We are most concerned about the proposed reform to education exceptions which would undermine the operation of the educational statutory licence and substantially reduce the licence fees payable to Copyright Agency for distribution to publishers, authors and illustrators. We are objecting strongly to this reform.

I would like to thank the ASA Board for its support and vision. Our directors generously volunteer their time and it is their insights and strategy that guides the ASA. In particular, my warm thanks to the Chair, Nick Pickard, who has worked tirelessly this year speaking up for authors and illustrators, as well as being an invaluable advisor to me.

Lastly, thank you to all members for your loyalty and support. We can't do anything without you and the greater our base, the stronger we are. Please contact us any time. We are here to support you.



Olivia Lanchester

CEO

13 November 2020

ASA team members Lauren Anderson, Olivia Lanchester, Jodie Spiteri-James and Lucy Hayward

“

The ASA strives to be a self-sustaining and financially agile organisation.

”

Kirsty Murray

Treasurer

November 2020



Treasurer's Report

Report on the annual accounts for the year July 1, 2019 to June 30, 2020

I am pleased to present the Annual General Meeting's Treasurer's report for the year to June 30, 2020.

In what could have been a catastrophic year for the ASA, the organisation has increased membership and fiercely advocated for the literary arts. Despite losses to our investments and a fall in income from activities, the ASA has finished the year with a surplus of \$33,058 thanks to the ATO Cash Flow Boost which has created a healthy buffer to see us into 2021.

The auditors have given the ASA a clean bill of health. For an arts organisation of our size, we are fortunate to be in such a healthy financial position. Our new CEO, Olivia Lanchester, has done an outstanding job of guiding the organisation through the pandemic while also recruiting a dynamic new team.

Without the ATO Cash Flow Boost the Society would have posted a small loss against budget as, unsurprisingly, the COVID-19 pandemic had a negative impact on overall income generated by activities. A large proportion of staff time dedicated to the urgent need to advocate for our members in the wake of the pandemic inhibited the viability of increasing income through activities. A fall in the market value of the ASA's investments posted on 30th June means we are recording an unrealised loss of \$43,545 in our profit and loss statements but at the time of writing, our investments have recovered substantially and as no shares were sold, the projected loss was on paper only.

Significant savings were made on expenditure associated with events, board meetings and office overheads. All director meetings were held online and professional development activities were delivered virtually. Membership of the ASA grew 2,968 to 3,325 generating an increase in subscriptions revenue of \$94,756.00.

Although our membership is growing, we anticipate that member retention in 20-21 may fall if economic circumstances worsen. Based on current projections, we anticipate a modest surplus in the 2020-21 financial year but the pandemic has created an atmosphere where we must be braced for unpredictable economic circumstances. The board and CEO will continue to explore income opportunities and limit expenditure where possible.

The ASA strives to be a self-sustaining and financially agile organisation. It is important for members to note that the ASA does not receive regular government funding. Historically, donations and bequests have helped to bolster the ASA's financial security. The board has approved the creation of a Fundraising Committee and a charter was drawn up accordingly. In 2021, the board will seek members for the new committee with the aim of securing the long-term financial health of the ASA.

Highlights

- The ASA posted an Operating Profit of \$33,058. This is \$32,129 ahead of budget, thanks to the ATO Cash Flow Boost
- Membership grew by 357 members over the financial year, from 2,968 at July 1, 2019 to 3,321 at June 30, 2020 – an increase of 12%.
- Total Expenses of \$651,447 under budget by \$6,733 (1%). This result is largely due to a fall in office and general expenses.
- As at June 30, 2020, cash in the trading bank account stood at \$572,956, due to the influx of cash relating to the annual 30 June membership renewals and the ATO cash flow tax benefit.
- Assets and liabilities: Net assets and total equity stood at \$1,874,893 at 30 June, 2020. Liabilities outside of grants and memberships were \$76,864.

Investment Committee:

The Investment Committee oversees the management of The Barbara Jefferis Literary Fund, the Endowment Fund and the Investment Fund. This committee is made up of three ASA directors, and two individuals with strong financial management backgrounds. Financial advisors Minchin Moore are engaged to manage the ASA's portfolios. Both the Endowment Fund and the Investment Fund were independently reviewed and the Barbara Jefferis Award Fund was independently audited with positive results.

I am pleased to report that despite a difficult year and losses to our investments, the overall performance to June 30 was better than anticipated and the portfolios performed ahead of the ASX 200 index. At 30 June, 2020, the three investment funds showed a combined loss of only -1.6% compared to the S&P/ASX 200 Accumulated Index return FY20 of -7.7%.

Conclusion

As Treasurer, I congratulate and thank the ASA's management and staff for rising to the challenge of steering the organisation through a stressful year. It could have been a very dark year for the ASA but thanks to sound financial structures put in place by our former CEO and Board, and outstanding leadership on the part of our CEO and Chair, we can look forward to a dynamic 2021. I'd also like to thank our bookkeeper, Angeles Galvez, for her meticulous bookkeeping and thorough monthly updates, the Chair of the Investment Committee, Mark Hollands, and our financially astute board director, Prasad Gollakota.

Kirsty Murray

Treasurer

November 2020

Audited Accounts

The Australian Society of Authors Limited

ABN 26 008 558 790

Financial Report

For the Year Ended 30 June 2020

The Australian Society of Authors Limited

ABN 26 008 558 790

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For the Year Ended 30 June 2020

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The Australian Society of Authors Limited

ABN 26 008 558 790

Directors' Report For the Year Ended 30 June 2020

The directors present their report on The Australian Society of Authors Limited for the financial year ended 30 June 2020.

1. General information

Information on directors

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

Nicholas Pickard

Experience

Chair

Nicholas is a communications, marketing and government relations specialist with senior level experience in the UK and Australia. He has managed the profile, reputation and advocacy campaigns of organisations and public figures across government, transport infrastructure, creative industries and the media.

A former journalist and ministerial adviser with a track record in C-suite advisory, Nicholas worked on Heathrow Airport's successful third-runway expansion campaign with editorial oversight across public affairs, media, corporate affairs, advertising and digital. Returning to Sydney in 2016, to take up the role of Director Corporate Affairs for the Copyright Agency, he drove sector wide collaboration to create a major campaign for the content industries before taking up a newly created position as Executive Director, Public Affairs and Communications at APRA AMCOS.

Anne Maria Nicholson

Experience

Deputy Chair

An author, journalist and broadcaster with extensive experience in Australia and internationally. She has already served one term as a board member and Deputy Chair of the ASA and has been a judge of the Barbara Jefferis Award. She has had two novels published by HarperCollins with two more in the pipeline. During a 20-year career with the ABC Anne Maria was one of the country's leading arts and cultural reporters for the national broadcaster's news and current affairs program. She reported and produced for Lateline and Foreign Correspondent where she was responsible for managing both the editorial and financial aspects on overseas assignments. During stints as a Network editor, she managed the news gathering from correspondents in Australia and internationally for the major news bulletins. She is a member of the Executive Committee of the ASA.

The Australian Society of Authors Limited

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Directors' Report For the Year Ended 30 June 2020

Information on directors

Kirsty Murray
Experience

Treasurer

Kirsty Murray has written twenty works of fiction and non-fiction for children and young adults and her work has been published in both Australia and internationally. Based in Melbourne, she is passionate about Australian stories. Kirsty has taught creative writing in hundreds of schools, universities and libraries to writers of all ages. Her books have won and been shortlisted for many awards including the WA Premier's Book Award, the CBCA Award and the NSW Premier's History Award. Kirsty has been a Creative Fellow of the State Library of Victoria, an Asialink Literature Resident in India and a guest speaker at literary festivals around the world. For most of this year, Kirsty served on the Nominations Committee and is also a current member of the Investment Committee and Executive Committee.

Chris Pash
Experience

Chris Pash is a writer of narrative nonfiction. His book, *The Last Whale* published by Fremantle Press 2008, was partly based on his experiences in the 1970s as a cadet reporter at the Albany Advertiser in Western Australia's south. In the mid 1990s he built and ran the regional newswire Asia Pulse, a joint venture company between Asian news companies. He lives in Sydney and is the Editor of AdNews, founded in 1928, Australia's oldest title about the media. He is a Graduate of the Australian Institute of Company Directors, and a former Chair of the ASA.

Helen O'Neill
Experience

Helen O'Neill, an award-winning author and journalist, believes passionately in the rights of writers and in the future of our industry and our art. She has published five non-fiction books so far, including 'Daffodil – the Biography of a Flower', 'A Singular Vision: Harry Seidler' and 'Florence Broadhurst - Her Secret and Extraordinary Lives' which appeared in multiple editions across Australia, the UK and the USA. A former staff journalist on The Sydney Morning Herald, The Australian and Vogue Australia, her work has been published across the globe and documentaries she has worked on have screened internationally. She is one of the ASA's representatives on the Board of Copyright Agency Ltd and serves on Nominations Committee of the ASA.

The Australian Society of Authors Limited

ABN 26 008 558 790

Directors' Report For the Year Ended 30 June 2020

Information on directors

Liz Anelli

Experience

With thirty years' experience in international and Australian publishing markets, author/illustrator Liz brings her artist's eye for detail and enthusiasm for creative problem solving. Before moving to Australia in 2012 she combined her illustration practice with teaching art and design in UK universities, developing cross-curricula programs in schools and as a key facilitator for The Magic Pencil and The Campaign for Drawing <http://www.thebigdraw.org> which she brought to Newcastle in 2013. She will engage with and encourage such Australia-wide programs that promote cultural diversity and visual literacy. She is a member of the Executive and Nominations Committees of the ASA.

Leonie Norrington

Experience

Leonie was born in Darwin and grew up in southern Arnhemland. 'I am interested in the places where cultures and languages meet,' she says, 'especially how people use language and story to bridge cultural differences or to make statements about their separateness.' She writes in English, Kriol and Indigenous language and her stories are a beautifully conceived reflection of life in far north Australia. Her books have won or been shortlisted for many Australian Children's literary awards. Leonie is an insightful, passionate speaker and has presented at writers festivals in Australia, Indonesia and the Edinburgh Book Festival. For most of this year, she served on the ASA Nominations Committee.

Prasad Gollakota

Experience

Prasad is a corporate financial advisor with almost 20 years professional experience within investment banking and corporate advisory firms, covering both the private and public sectors, in Australia, the UK and Europe. Prasad is a CFA Charterholder, and has completed an LLB (Hons) / BComm as well as a Masters in Applied Finance.

Prasad has always had a strong personal interest in 'story', and this has lead him to pursue a Masters in Arts (Script Writing) at the University of London, which he completed in 2013.

Joining the board of ASA is a union of Prasad's professional experience and his passion for story, with the end goal to help support writers and illustrators in Australia.

Prasad is a member of the ASA Investment Committee.

The Australian Society of Authors Limited

ABN 26 008 558 790

Directors' Report For the Year Ended 30 June 2020

Information on directors

Margrete Lamond Experience	Appointed 14 November 2019 Margrete is an author, editor, publisher, curator and researcher. As an author, she has published over 20 titles, the most recent of which, <i>The Sorry Tale of Fox and Bear</i> , was short-listed for the 2018 NSW Premier's Literary Award. She began her publishing career at Scholastic Press in 2002, was publisher at Little Hare Books from 2006 to 2010, at Hardie Grant Egmont from 2010 to 2017, and is now Creative Director and Publisher at Dirt Lane Press. Throughout this time she has continued to write. She holds a Master's degree in children's literature and is a PhD candidate with Monash University, with an empirical interest in the biological impacts of literary reading. She also operates a manuscript and portfolio review service for picture-book creators.
Brenton E. McKenna Experience	Appointed 14 November 2019 Brenton E. McKenna is a young Yawuru artist and writer who fell in love with comic books at a young age. He studied visual arts for two years at Goulburn TAFE and in 2000 was one of twenty successful applicants to be awarded a highly sought-after mentorship with the Australian Society of Authors. He has attended several art workshop/residencies and in doing so has generated much national interest in recent years.
Eugene Bacon Experience	Appointed 14 November 2019 and resigned 10 September 2020 Eugen Bacon, MA, MSc, PhD, is an African Australian author and a professional editor. A computer scientist mentally re-engineered into creative writing, her stories have won, been shortlisted and commended in international awards, including the Bridport Prize, L Ron Hubbard Writers of the Future Contest, Copyright Agency Prize and Fellowship of Australian Writers National Literary Awards. Eugen is a recipient of the Katharine Susannah Prichard (KSP) Emerging Writer-in-Residence 2020. Her creative work has appeared in literary and speculative fiction publications worldwide, including <i>Award Winning Australian Writing</i> , <i>Aurealis</i> , <i>Bards and Sages Quarterly</i> , <i>The Victorian Writer</i> and through Routledge in <i>New Writing</i> . Recent publications: <i>Writing Speculative Fiction</i> , Macmillan (2019). <i>Claiming T-Mo</i> , Meerkat Press (2019). <i>In 2020: A Pining</i> , Meerkat Press. <i>Black Moon</i> , IFWG. <i>Inside the Dreaming</i> , Newcon Press. Eugen loves chocolate, swimming, Toni Morrison and Ray Bradbury.
Sarah Mills	Term as director expired 14 November 2019
David Day	Term as director expired 14 November 2019

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

The Australian Society of Authors Limited

ABN 26 008 558 790

Directors' Report For the Year Ended 30 June 2020

Principal activities

The principal activities of The Australian Society of Authors Limited during the financial year were the promotion and protection of the professional interests of all those who create literary or artistic material. We are the peak professional body and national membership organisation for Australian authors and illustrators.

No significant changes in the nature of the Company's activity occurred during the financial year.

At the May 2020 Board meeting, the Directors approved a new three-year strategy, the highlights of which are as follows:

Value Statment

Authors and illustrators create the stories and ideas that are integral to our national identity and culture.

Our Purpose

To support Australian authors and illustrators pursue their creative career.

Goals

To retain passionate staff with capability to deliver services efficiently, to foster a professional, caring, knowledge sharing culture, and customer service mentality.

To adopt long term thinking and remain lean and frugal, particularly given funding environment.

To ensure that the ASA's governance is always at best practice level. Investment Fund, Endowment Fund and BJA Trust Fund are invested in accordance with Investment Strategy on advice of independent financial advisors.

Advocacy

We intend to develop ASA 'brand' and introduce ASA Ambassadors.

In 2020, prioritise COVID-19 representation.

Continue to seek the introduction of Digital Lending Rights, fair contracts/baseline author protections in legislation, advocate for improved Government investment in literature.

Services

Overhaul professional development, mentorships and website resources, including to strengthen diversity in membership.

Elevate Barbara Jefferis Award and Colin Simpson Lecture.

Refresh recommended Rates of Pay 2021.

Re-evaluate offering to illustrators in 2021.

The Australian Society of Authors Limited

ABN 26 008 558 790

Directors' Report For the Year Ended 30 June 2020

Members guarantee

The Australian Society of Authors Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 20, subject to the provisions of the company's constitution.

At 30 June 2020 the collective liability of members was \$ 66,500 (30 June 2019: \$59,360).

Meetings of directors

During the financial year, five meetings of directors were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Nicholas Pickard	5	5
Anne Maria Nicholson	5	5
Kirsty Murray	5	4
Chris Pash	5	5
Helen O'Neill	5	5
Liz Anelli	5	5
Leonie Norrington	5	5
Prasad Gollakota	5	4
Margrete Lamond	4	4
Eugene Bacon	4	4
Brenton E. McKenna	4	1
Sarah Mills	1	1
David Day	1	1

Auditor's independence declaration

The auditor's independence declaration in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, for the year ended 30 June 2020 has been received and can be found on page 7 of the financial report.

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

Chair:
Nicholas Pickard

Dated 6 November 2020

The Australian Society of Authors Limited

ABN 26 008 558 790

Auditors Independence Declaration to the Directors of The Australian Society of Authors Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2020, 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.

BDJ Partners



Gregory W Cliffe
Partner

Dated 5 November 2020

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website for our
standard terms of
engagement.

The Australian Society of Authors Limited

ABN 26 008 558 790

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2020

		2020	2019
	Note	\$	\$
Revenue	4	615,241	644,236
Investment income	4	28,120	8,202
ATO Cash Flow Boost		84,688	-
Employee benefits expense		(462,912)	(421,645)
Overheads		(86,666)	(70,039)
Subcontractor and event fees		(76,606)	(97,003)
Property expenses		(13,510)	(17,034)
Depreciation		(11,752)	(15,481)
Surplus (deficit) before income tax		76,603	31,236
Income tax expense	2(a)	-	-
Surplus (deficit) for the period		76,603	31,236
Unrealised movement in market value of investments		(43,545)	(10,515)
Revaluation of property	9	-	-
Other comprehensive income for the period		(43,545)	(10,515)
Total comprehensive income for the period		33,058	20,721

The accompanying notes form part of these financial statements.

The Australian Society of Authors Limited

ABN 26 008 558 790

Statement of Financial Position As At 30 June 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	572,973	312,920
Trade and other receivables	6	15,207	6,860
Other assets	7	5,547	6,882
TOTAL CURRENT ASSETS		<u>593,727</u>	<u>326,662</u>
NON-CURRENT ASSETS			
Financial assets	8	889,751	923,795
Property, plant and equipment	9	987,403	996,611
TOTAL NON-CURRENT ASSETS		<u>1,877,154</u>	<u>1,920,406</u>
TOTAL ASSETS		<u>2,470,881</u>	<u>2,247,068</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	43,076	68,526
Employee benefits	11	33,788	32,908
Deferred income	12	519,124	303,799
TOTAL CURRENT LIABILITIES		<u>595,988</u>	<u>405,233</u>
NON-CURRENT LIABILITIES			
TOTAL LIABILITIES		<u>595,988</u>	<u>405,233</u>
NET ASSETS		<u>1,874,893</u>	<u>1,841,835</u>
EQUITY			
Reserves		(39,475)	(28)
Accumulated funds		<u>1,914,368</u>	<u>1,841,863</u>
TOTAL EQUITY		<u>1,874,893</u>	<u>1,841,835</u>

The accompanying notes form part of these financial statements.

The Australian Society of Authors Limited

ABN 26 008 558 790

Statement of Changes in Equity For the Year Ended 30 June 2020

	Accumulated Funds	Asset Revaluation Surplus Note 9	Financial Assets Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2019	1,841,863	-	(28)	1,841,835
Surplus (deficit) attributable to members of the entity	76,603	-	-	76,603
Transfer realised gains/losses from reserve to accumulated funds	(4,098)	-	4,098	-
Unrealised movement in market value of investments	-	-	(43,545)	(43,545)
Balance at 30 June 2020	1,914,368	-	(39,475)	1,874,893

	Accumulated Funds	Asset Revaluation Surplus Note 9	Financial Assets Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2018	1,821,114	-	-	1,821,114
Surplus (deficit) attributable to members of the entity	31,236	-	-	31,236
Transfer from accumulated funds to reserve on initial application of AASB 9	(10,487)	-	10,487	-
Unrealised movement in market value of investments	-	-	(10,515)	(10,515)
Balance at 30 June 2019	1,841,863	-	(28)	1,841,835

The accompanying notes form part of these financial statements.

10

The Australian Society of Authors Limited

ABN 26 008 558 790

Statement of Cash Flows For the Year Ended 30 June 2020

	2020	2019
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from members and others	913,571	719,157
Payments to suppliers and employees	(684,493)	(658,539)
ATO Cash Flow Boost	33,308	-
Interest received	211	3,999
Dividends received	-	4,202
Net cash provided by/(used in) operating activities	15 <u>262,597</u>	<u>68,819</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(2,544)	-
Purchase of investments	-	(821,196)
Net cash used by investing activities	<u>(2,544)</u>	<u>(821,196)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net increase/(decrease) in cash and cash equivalents held	260,053	(752,377)
Cash and cash equivalents at beginning of the period	312,920	1,065,297
Cash and cash equivalents at end of financial year	5 <u>572,973</u>	<u>312,920</u>

The accompanying notes form part of these financial statements.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

The financial report covers The Australian Society of Authors Limited as an individual entity. The Australian Society of Authors Limited is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of The Australian Society of Authors Limited is Australian dollars.

Comparatives have been adjusted where required to comply with changes in the current period.

1 Basis of Preparation

The Directors have prepared financial statements on the basis that the Company is a non-reporting entity because there are no users dependent on general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the reporting requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 *Presentation of Financial Statements*, AASB 107 *Statement of Cash Flows*, AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, AASB 1048 *Interpretation of Standards* and AASB 1054 *Australian Additional Disclosures*.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(b) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

Revenue from contracts with customers

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

Member Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

Activities

Activities includes revenue from contract assessment services, mentorship, Style File and professional development. Revenue from activities is recognised at a point in time when the relevant performance obligation is satisfied.

Grants

Revenue from grants is recognised at a point in time when the company has satisfied its performance obligations under the relevant grant agreement.

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, the company presents the contract as a contract asset, unless the company's rights to that amount or consideration are unconditional, in which case the company recognised a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the company presents the contract as a contract liability.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

Specific revenue streams

Costs to fulfil a contract

Where costs are incurred to fulfil a contract, they are accounted for under the relevant accounting standard (if appropriate), otherwise if the costs relate directly to a contract, the costs generate or enhance resources of the company that will be used to satisfy performance obligations in the future and the costs are expected to be recovered then they are capitalised as contract costs assets and released to the profit or loss on a systematic basis consistent with the transfer to the customer of the goods or services to which the asset relates.

Donations and gift income

Donations and gifts are recognised when they are received by the company.

Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

Interest revenue

Interest is recognised using the effective interest method.

(c) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(d) Property, Plant and Equipment

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

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed periodically, but at least triennial, by external independent valuers.

Land and buildings

Land and buildings are measured using the revaluation model.

Plant and equipment

Plant and equipment are measured using the cost model.

Depreciation

Plant and equipment is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

(e) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

The company applied AASB 9 Financial Instruments for the first time in the financial year ended 30 June 2019.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

Financial assets

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair value through other comprehensive income

Equity instruments

The Company has a number of strategic investments over which they do not have significant influence nor control. The Company has made an irrevocable election to classify these equity investments as fair value through other comprehensive income (financial assets reserve) as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income. On disposal any balance in the financial assets reserve is transferred to accumulated funds and is not reclassified to profit or loss.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

Financial assets

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI.

Fair value through profit or loss

The company does not have any financial assets through profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

A loss allowance is not recognised for equity instruments measured at FVOCI.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise trade payables, bank and other loans and finance lease liabilities.

(f) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in surplus or deficit.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash with original maturities of three months or less and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

2 Summary of Significant Accounting Policies

(h) 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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period 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 satisfy vesting requirements.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

(i) Adoption of new and revised accounting standards

The company 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 and Interpretations that are not yet mandatory have not been early adopted.

The adoption of these accounting standards has not materially impacted the measurement or disclosure of any transaction for the company.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - impairment of property, plant and equipment

The Company assesses impairment at the end of each reporting period by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

4 Revenue and Other Income

Revenue from continuing operations

	2020 \$	2019 \$
Revenue		
- Subscriptions	461,786	367,030
- Activities	88,930	116,366
- Donation and gift income	1,115	79,720
- Grant income	33,349	54,266
- Publications	22,111	23,362
- Other income	7,950	3,492
	615,241	644,236

Investment Income		
Distributions and interest income	19,926	3,999
Dividend income	8,194	4,203
	28,120	8,202

5 Cash and cash equivalents

Cash at bank and in hand	561,477	302,615
Other cash and cash equivalents	11,496	10,305
	572,973	312,920

6 Trade and other receivables

CURRENT		
Trade receivables	2,356	6,860
Investment income receivable	9,389	-
Imputation credits	3,462	-
	15,207	6,860

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

7 Other non-financial assets

	2020	2019
	\$	\$
CURRENT		
Prepayments	5,547	6,882

8 Other financial assets

Financial assets at fair value

NON-CURRENT

Equity securities - at fair value through
Other Comprehensive Income

889,751	923,795
---------	---------

9 Property, plant and equipment

Property at independent valuation

Mountain Street, Ultimo

Total land and buildings

985,000	985,000
985,000	985,000

Software

At cost

Accumulated depreciation

Total software

49,515	49,515
(49,515)	(37,904)
-	11,611

Furniture, fixtures and fittings

At cost

Accumulated depreciation

Total furniture, fixtures and fittings

22,377	22,377
(22,377)	(22,377)
-	-

Computer equipment

At cost

Accumulated depreciation

Total computer equipment

2,544	-
(141)	-
2,403	-

Total property, plant and equipment

987,403	996,611
---------	---------

The Company's property at Mountain Street, Ultimo was revalued at 4 June 2018 by independent valuers. The 30 June 2018 balance was increased in line with the valuation by \$85,000 to \$985,000.

Valuations were made using the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

10 Trade and other payables

	2020	2019
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	9,148	9,525
GST payable	39,763	26,871
Accrued expenses	26,502	22,445
Barbara Jefferis Literary Fund	6,716	-
Other payables	(39,053)	9,685
	<u>43,076</u>	<u>68,526</u>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

11 Employee Benefits

CURRENT		
Annual leave	26,467	24,408
Long service leave	7,321	8,500
	<u>33,788</u>	<u>32,908</u>

12 Deferred Income

CURRENT		
Subscriptions received in advance	333,394	269,688
Grants received in advance	154,927	33,950
Other deferred income	30,803	161
	<u>519,124</u>	<u>303,799</u>

13 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 20 each towards meeting any outstandings and obligations of the Company. At 30 June 2020 the number of members was 3,325 (2019: 2,968).

14 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2020 (30 June 2019:None).

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

15 Cash Flow Information

Reconciliation of net income to net cash provided by operating activities:

	2020	2019
	\$	\$
Surplus (deficit) for the period	76,603	31,236
Cash flows excluded from surplus attributable to operating activities		
Non-cash flows in surplus:		
- depreciation	11,752	15,481
- financial assets income and expenses	(9,501)	-
Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:		
- (increase)/decrease in trade and other receivables	(8,347)	(2,864)
- (increase)/decrease in prepayments	1,335	(2,791)
- increase/(decrease) in trade and other payables	(25,450)	(2,806)
- increase/(decrease) in deferred income	215,325	21,332
- increase/(decrease) in employee benefits	880	9,231
Cashflow from operations	262,597	68,819

16 Events after the end of the Reporting Period

The financial report was authorised for issue on 3 November 2020 by the Board of Directors.

In the 2019-20 financial year, the COVID-19 pandemic had a negative impact on our overall income from Activities. In addition, our response to the COVID-19 crisis in the last quarter of the financial year absorbed much staff time, to the detriment of other initiatives. We dedicated an unprecedented amount of time advocating for members in the wake of the pandemic.

However, on the other hand, the ASA benefited enormously from the ATO Cash Flow Boost, which created the surplus reported this year and delivered a buffer for the lean months ahead. We also saved on expenditure normally associated with Board Meetings as we moved all director meetings online, and on event fees as we ran all professional development virtually.

Although our membership is growing, we anticipate that retention in 20-21 will be challenging if economic conditions worsen. We anticipate the ASA will deliver an extremely modest surplus in the 2020-21 financial year. The board will continue to explore income opportunities and limit our expenditure where possible.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

The Australian Society of Authors Limited

ABN 26 008 558 790

Notes to the Financial Statements For the Year Ended 30 June 2020

17 Company Details

The registered office of and principal place of business of the company is:

The Australian Society of Authors Limited
Suite C1.06
22-36 Mountain Street
Ultimo NSW 2007

The Australian Society of Authors Limited

ABN 26 008 558 790

Directors' Declaration

The directors have determined that the Company is not a reporting entity and that these special purpose financial statements should be prepared in accordance with the accounting policies described in Note 2 of the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 8 to 24, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the Company's financial position as at 30 June 2020 and of its performance for the year ended on that date.
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.

Chair
Nicholas Pickard

Dated 6 November 2020

The Australian Society of Authors Limited

Independent Auditor's Report to the members of The Australian Society of Authors Limited

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of The Australian Society of Authors Limited (the company), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 accompanying financial report of the company is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and 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* 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 confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Australian Charities and Not-for-profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the Directors' Report (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 on the other information obtained prior to the date of this auditor's report, 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 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 and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a 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 have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

BDJ Partners



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Gregory W Cliffe
Partner

Dated 6 November 2020

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Thank You

This year we've been grateful for the generous support of:



We'd also like to give our thanks to all of the authors who supported our Professional Development Program this year, offering their time and invaluable expertise.

Finally, we'd like to thank our members - nothing we do would be possible without your support.



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