



scitech

# ANNUAL REPORT

2016/17

ABN 55 009 292 700



# VISION

Scitech's vision is to be a **world leader** in providing **innovative** and **creative** STEM programs that **inspire, engage** and **develop** citizens for Western Australia's social well-being, economic prosperity and sustainability.

# MISSION

To increase **awareness, interest, capability** and participation by **all Western Australians** in science, technology, engineering and mathematics.





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# SCITECH CHAIRMAN'S 2016/17 ANNUAL REPORT

On reflection, Year Four of our current business planning cycle has been a watershed year. The business achievements are well documented in this Annual Report, and the strong Financial Statements reveal a healthy and stable business that will continue to grow and deliver science, technology, engineering and mathematics (STEM) engagement across the Western Australian community.



Critically, in 2016/17 we achieved our MISSION, while also being successful in growing our MARGIN. As a 28 year old not-for-profit company, that's a balance we always strive for, and the team has done really well to get it right.

Three major themes have occupied the Board in 2016/17. These themes form the basis of our strategic planning as we focus our energy and efforts on creating a New Scitech:

1. Conversations and partnering with a new government
2. Creating visions for a New Scitech
3. Changing the guard, a new CEO!

## 1. CONVERSATIONS AND PARTNERING WITH A NEW GOVERNMENT

During the year the Board began finalising the 2018-2023 Business Plan. This involved extensive

consultation with partners, government, key stakeholders as well as staff and management input. In August 2016 a new business plan was submitted to the Premier in his capacity as Minister for Science. The key objectives of the plan revolved around: growing Scitech's reach and impact especially with youth and their teachers and parents, digital transformation and program delivery in a changing world, and growing non-government revenue to ensure financial sustainability in uncertain economic times.

Our 2018-23 business and mission aspirations provided a clear platform to engage in meaningful dialogue with the Liberal-National Government and then, post the March election result, the new Labor Government. Both parties are fully supportive and committed to Scitech and its place as WA's leading science education and public engagement institution.

Through our close working relationship with the Office of Science, an Independent Review was conducted of our 18-23 Business Plan. This was a valuable process for the State and Scitech to evaluate and discuss the core objectives of Scitech,

both in relation to its mission focussed programs, its business operations and its future location. The outcome of the Independent Review and Minister Kelly's commitment, confirm the support of the State Government with future funding until 2021 with a commitment for a further review that would incorporate the impact of future location planning and the delivery of the business objectives detailed in the Business Plan. The Board is very pleased to be starting Year 5 of the 13-18 funding cycle with a clear commitment and investment to 2021 by the State Government.

As part of our on-going government partnering, I am pleased to share the Board's endorsement of the STEM Learning Project, a significant investment in STEM education involving the Computing, Maths, and Science Teacher' Associations and Scitech as a key 'game changer' in STEM education. The Board is also committed to working with the Chief Scientist in the development of a STEM Strategy for WA in the coming year.

## 2. CREATING VISIONS FOR A NEW SCITECH

Throughout 16/17 the Board and Executive leadership team responded positively to the location planning process. Initially our focus was on the Perth Cultural Centre and its potential. This was replaced for a short period by the Education Central model of a vertical science centre in the Perth CBD.

Through a Board Sub-Committee, our energy and enthusiasm remains strong to work with Minister Kelly and the Premier on establishing a new, state-of-the-art Scitech for the future.

Our planning and research is focussed on a science centre of the future, an organisation with a business model that links children and families with the world of STEM and then takes them on a developmental journey for life. Our aim is to link the foundations of STEM with social entrepreneurial outcomes that will create economic prosperity through science and innovation.

In early 2017/18 the Board will present its vision and masterplan to the Minister for a New Scitech.

## 3. CHANGING THE GUARD, A NEW CEO!

The Board has always known that one day our CEO would tell us he wanted to move on, but it was

still something of a shock when it happened. Alan leaves us after 17 extremely successful years at the helm. He leaves Scitech in a very healthy financial position. He will be handing a genuinely world leading science centre to our new CEO, Deborah Hancock. We are looking forward to her starting and introducing her to the Scitech community and beyond.

I assure you that Alan's extraordinary contribution to Scitech, and indeed the State, will be recognised in various ways in due course. He has been a dream CEO for a Chair to have and I cannot thank him enough.

Since joining the Board in 2012 I have followed closely the business planning and implementation cycle of two business plans, the 2013-18 and now the 2018-23. Translating the business and finance margins to mission generating programs that change people's lives is a richly rewarding process. To receive the feedback, the stories and the research that confirm the Scitech impact is very special for the voluntary Scitech Board.

I would therefore like to acknowledge the dedicated work of the Scitech staff and volunteers. They just make things happen. To the Executive leadership team, thank you again for another great year: we are blessed having you at the helm.

Scitech would not be possible without the support and investment of the State Government of WA. I wish to acknowledge the strong support of Premier Barnett and more recently Minister Kelly. The partnership with the Office of Science continues to grow and has provided enormous value to the WA community.

To our corporate, educational and community partners (named later in this report) your continued support is very much valued and acknowledged.

Finally, to my fellow Scitech Board members, thank you for your time, effort and wisdom so generously given. Your enthusiasm and commitment are helping guide Scitech to be one of the best science centres on the planet.

And the adventure is only just beginning...

Tony Joyner

**Chairman  
Scitech Board of Directors**

# SCITECH HIGHLIGHTS FOR 2016/17



## ASTRONAUT

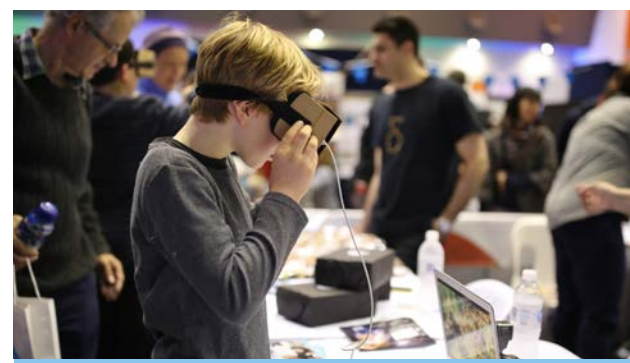
**SCITECH EXHIBITIONS:** Interest in Scitech exhibitions from international science centres continued to grow around the world. Confirmation of booking from another 22 US centres in 2016/17 brought to 48 the number of American centres that have hosted Scitech exhibitions over the past three years.

**PARTICLE:** Scitech's exciting new online science face, Particle, was launched in February 2017. It has attracted instant recognition and strong reader engagement through multiple social media channels. It is bringing WA science alive.



**PROFESSIONAL LEARNING:** Offering our State's classroom teachers professional development in science, maths and the digital and technology areas of the curriculum is a critical part of Scitech's mission.

We reached a record 5,719 teachers and pre-service teachers, a 56% increase on last year's reach.



**PUBLIC ENGAGEMENT IN STEM:** We achieved a record 553,177 public engagements in STEM. We attracted 295,572 visitors to our 'under construction' City West premises, 250,847 took part in one of our many State-wide programs, and we worked with 6,758 teachers and pre-service teachers through our professional development workshops.



**REVITALISING SCITECH:** After a year of construction and change, Scitech has been revitalised—the new visitor rest and relaxation area is called City Views, there is a new WA Science Zone, a new WA Science Hall of Fame, a new CSIRO Lab, new carpets, new Rio Tinto Innovation Central layout and new workspaces for staff.



**IT'S TIME:** After 17 years as CEO, Alan Brien has announced he will be leaving Scitech in September 2017. Under Alan's leadership, Scitech has emerged as a world renowned science centre that connects the WA community to the exciting and rewarding world of science, technology,

engineering, mathematics and innovation. We wish him every success in the future.

# CHIEF EXECUTIVE OFFICER'S REPORT AND REVIEW OF OPERATIONS

It is with significant pride and honour that I present my final CEO report for Scitech Discovery Centre for the 2016/17 financial year; Year 4 of the current business planning cycle 2013 to 2018.

After a richly rewarding 17 years, I will be leaving Scitech at the right time: it is financially healthy, achieving its mission and contractual obligations, and is formulating a strong vision for a new Scitech that will shortly be presented to the new Minister for Science, Dave Kelly MLA.

As I reflect, Scitech has grown significantly from its 160,000 visitors in 2000 to an annual average of approximately 300,000. Our full-time equivalent staff has grown from 64 to 110 and our business turnover has jumped from \$4.8m to \$18.9m per annum. Importantly, our public engagement in science, technology, engineering and mathematics (STEM) across WA has been significant, the collective effort of the State as well as our industry and education partners. This has enabled Scitech to place STEM as a critical driver of future economic and social prosperity.

It is with pleasure that I table the 2016/17 Scitech Review of Operations.

## OUR GOVERNANCE, OUR FUTURE

The Scitech Board of Directors, under Tony Joyner's leadership, placed significant resources and attention to strategically planning and articulating a plan for the future. Extensive consultation, facilitated planning workshops and a new governance structure saw the Board achieve a significant outcome in the following areas:

### 1) 2018-23 Scitech Business Plan

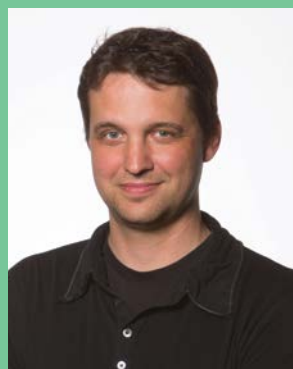
Throughout 2016/17 the Board's focus was on completing a detailed forward-thinking business plan that would challenge and grow Scitech's mission, reach and commercial framework. In September 2016, a new five-year plan was submitted to the Minister for Science for consideration. The core themes of the plan would see Scitech:

- providing a stronger leadership role in STEM education, linking government, industry and education services to increase STEM engagement state-wide,
- having increased focus on youth STEM engagement in both schools and in leisure time to increase interest and participation in STEM,
- planning and delivering improved digital technology engagement within current programs as well as expanding reach to non-participating audiences, and
- undertaking planning and regulation of Scitech's business framework to increase non-government revenue and expand its partnership base.

### 2) Independent review outcomes

The 2018-23 Scitech Business Plan was reviewed by a ministerially appointed review panel to assess its objectives, business framework and overall value for money proposition for the State. The review





“The *Going Places* exhibition received nothing but praise from our audience, our crew, and the rest of the NYSci team. My exhibits guys have more than once stopped me in the hallway to make an impromptu pitch for more content from Imagine and Scitech. Attendance for the 2016 [US] summer was 15% ahead of last summer and we attribute a fair amount of that outcome to the quality of the experience we were able to offer with *Going Places* on view.”

**Dan Wempa,**  
Vice President-External Affairs, New York Hall of Science



findings endorse the role and business objectives of Scitech and importantly, recommended continued State funding for the 2018-23 business cycle. The review listed the pending retirement of the CEO and its impact on the business and recommended that the Board closely examine its governance and reporting structures going forward. The Board is in discussions with the Minister on the implementation of the review findings.

### 3) Board governance structures and outcomes

Through the business planning process and the pending retirement of the CEO, the Board reviewed its internal working structures and responsibilities across the Board Directors. The initial focus was on ensuring all Directors were able to contribute and make valuable input into the leadership and overall performance of the Company.

A key outcome implemented by the Board was the establishment of a strong sub-committee structure to ensure strong governance and performance measures are in place. The sub-committees are:

- Audit and Risk Sub-Committee
- Nominations and Remuneration Sub-Committee
- New Scitech Planning Sub-Committee
- Scitech Executive Committee

- The Audit and Risk Sub-Committee, under the leadership of Board Deputy Chair Martin Kirkness, fulfilled a critical role in reviewing and analysing the Company's performance in the following areas:

- 2015-16 annual audit process
- HR and Workplace Health and Safety Annual Report
- Risk Register and Risk Matrix Report
- Annual insurance review
- Contractual compliance review
- IT security upgrade project
- Revitalisation business case and State funding compliance
- Review of financial performance

For the 2016/17 State Funding Agreement, the Audit and Risk Sub-Committee noted that all key performance indicators were achieved. The transition of ScienceNetwork WA into the Particle format was overseen by the Audit and Risk Sub-Committee.

- The Nominations and Remuneration Sub-Committee, under the leadership of Board Chair Tony Joyner, established a strong terms of reference with a focus on the following:

- Recruitment, remuneration and performance review of the CEO
- Board membership, noting skills mix, performance and future membership
- Assisting the CEO on the future structure and composition of the Executive management team.

For the second half of the 2016/17 year, this Sub-Committee was responsible for the recruitment of a new CEO through a global search.

- For the past three years the Board, and now its New Scitech Planning Sub-Committee, under the leadership of Shaun Gregory and Dr Karen Murcia, has been working closely with the Office of Science and the respective Ministers for Science on the long-term future for Scitech. During 2016/17, the Board examined the Perth Cultural Centre and the State Library building as potential options. Following the March 2017 state election, the Board commenced discussions with the new government on the proposed Education Central concept, a city hub for schooling. Following the Premier's decision not to proceed with Education Central, it was announced that Scitech would work with the new Minister on a state-of-the-art facility. Following extensive consultation and Board management workshops, a vision for a 'new Scitech' is well advanced and will be presented to the Minister early in the 2017/18 year.

## OUR PERFORMANCE IN 2016/17

The State Funding Agreement 2013-18 provides the annual performance targets and agreed measures to ensure Scitech's compliance with the terms of the funding grant.

### 1. Financial and audit compliance

- Scitech received an unqualified external audit opinion for 2015-16 and contractual approval from the State Government. Throughout 2016/17, Scitech supplied the Office of Science with all required reporting material.
- Total revenue was 3.0% behind budget in a challenging economic environment with partnerships and exhibition rental performing well.
- Total expenditure was 11.9% below budget due to management cost controls and delays in capital improvements.

### 2. Scitech programs report

#### Program 1: Intellectual capacity and asset creation

Scitech is an 'in-house' science solution Company that creates, plans, designs, investigates and develops its own ideas, programs, events and exhibits. Scitech is an innovative company that adapts and is flexible in creating intellectual and physical assets that enable the delivery of public STEM programs (as listed on the next page).



In Program 1 in 2016/17 we achieved the following:

- Bionic Me, a new 600 sqm exhibition that was conceived, designed and built through a collaborative company effort. The exhibition was on display at Scitech from November 2016 to May 2017.
- Extensive internal resources were involved in the major revitalisation of Scitech, the objective being to improve the visitor experience with more space and new experiences. This has been achieved with a new entry statement, a new WA Science Zone, a new Science Hall of Fame, new City Views and a new CSIRO Lab, along with new carpets and exhibits.
- For administrative staff, the new 890 sqm Troode Street office facilities have provided improved work stations and increased cross-organisation engagement. Increased work space was also created for our exhibition design team, our electronics team and the science centre leadership team.
- The exhibitions and operations team underwent a number of staff changes and this resulted in improved operational services to support the suite of travelling exhibitions that are currently touring the US and summarised in the table on page 15.

## Program 2: City West programs

Throughout 2016/17, the Scitech visitor attraction underwent significant building and layout changes. The thorough and professional Science Programs team adapted the centre each day to ensure Scitech remained open and a safe place for our visitors.

City West program highlights were:

- Attracting a total of 295,572 visitors, down 2.9% against expected visitors. This small decline was attributed to the constant changes that occurred over the year.
- A 21% growth in secondary school students visiting, which demonstrates the high demand for specific programs which engage youth in STEM careers.
- A significant growth in CSIRO Lab programs and specialist weekend programs, which resulted in a 65.7% growth in CSIRO Lab admissions. Strong demand is resulting in programs being booked out in advance.



- Ongoing planning and design innovation to create new visitor experience with a proposed upgrade of Discoverland and a new Digital Futures gallery for 2017/18.

## Program 3: State-wide programs

Scitech operates with a state-wide inclusion and equity approach that sees a 'mini-science centre' offer portable and interactive services to outer metro areas, regional towns and remote communities across Western Australia.

State-wide highlights were:

- A record 250,847 Western Australians engaged with a Scitech STEM program in 2016/17
- We undertook 18 regional tours (visiting 147 communities) across the following regions:
  - Goldfields (three tours)
  - Great Southern (three tours)
  - Kimberley (two tours)
  - Pilbara (two tours)
  - South West (three tours)
  - Wheatbelt (three tours)

This represents 49 weeks of regional touring in 2016/17.

- Scitech staff attended and participated in 183 community events where we delivered a STEM show or presented interactive exhibits across the State.



- In May 2017, in partnership with Pilbara Joblink, we planned and delivered the Karratha Careers Expo which reached 1219 secondary students. The Expo involved representatives in STEM from state and local government, industry and universities, and had a focus on presenting future STEM careers to students.
- Scitech hosted a teacher information night on STEM careers with the Career Education Association of WA.
- Scitech worked closely with Rio Tinto as it celebrated its 50th birthday. A special STEM experience was developed in partnership with Rio Tinto for the Perth Royal Show. A record 35,000 visited the Rio Tinto-Scitech STEM experience at the Show.
- Increased focus was placed throughout 2016/17 on youth engagement programs including:
  - Beyond the Beaker
  - Technology, Science and Engineering Challenge
  - Beijing Bound
  - Future Doctors
  - Science Café

Each of these programs successfully engaged secondary students in future STEM career programs.

- Scitech's Aboriginal Education Program—through its industry partners Rio Tinto, BHP, Woodside and GE—reached 1925 students across 22 schools in remote WA. The program continues to attract teacher endorsement for its engagement of students in STEM and achievement of improved school attendance.



"Thanks for the great STEM workshops you've been running. Since my son, Jayden, started taking

part in the hands-on series, his confidence and enthusiasm have grown and he's now been put up a science level at school."

Taneall Beattie,  
Mother of Jayden, Mount Nasura

- Scitech State-wide staff travelled approximately 89,200 km over the year.

## Program 4: Professional development of teachers

The quality of teaching and learning of science, technology and mathematics in our classrooms depends on having well-supported and highly motivated classroom teachers. For the past 28 years, Scitech has been reaching out to teachers across the State, offering them professional development workshops and guidance to improve their confidence. The development of our teacher knowledge, skills and pedagogical approach ensures there is a 'multiplier' effect with student engagement, STEM learning and success.

Program highlights for 2016/17 included:

- Scitech reached a record 5719 teachers and 1039 pre-service teachers in 722 professional development sessions.
- Demand continues to rise for digital technology curriculum programs as this area is mandated across WA schools for 2018.
- Consultation with university Schools of Education has led to increased demand for pre-service teacher development sessions.
- Scitech continues to work closely with the Department of Education on the planning and delivery of professional learning services, particularly in the technologies space.
- The STEM Learning Project—a consortium of the Educational Computing Association of WA



(ECAWA), the Mathematical Association of WA (MAWA), the Science Teachers' Association of WA (STAWA) and Scitech—continued its excellent work in developing STEM teaching and learning resources for the Department of Education. Under the leadership of Professor Mark Hackling, the STEM Learning Project has been very well received in schools and is being recognised as a leading STEM initiative Australia-wide. Edith Cowan University's School of Education will commence a detailed assessment of the program in 2018/19.

- Scitech, with its partner Woodside, continues to recognise and celebrate science excellence through the state-wide Woodside—Scitech Science Award for Year 6 students. The offer is extended to all schools to self-select and award a prize for science. 1566 awards were given in 2016/17 to students in 783 schools, representing approximately 85% of all WA primary schools.
- Scitech also played a valuable role in supporting and promoting the Governor's School STEM Awards across all WA schools.
- Scitech's CEO was an invited participant on the Chief Scientist's STEM Industry and Education Advisory Group that had a focus on improving STEM education. As part of the work of the working group, Scitech facilitated and formed the WA STEM Providers' Network (supporting more than 113 organisations that offer STEM-related incursions and excursions for schools across WA). The WA STEM Providers' Network database has been provided through the Office of Science to the Chief Scientist of Australia's STAR Portal initiative. This work remains ongoing.

#### Program 5: Community engagement and science communication

Throughout 2016/17 Scitech's community engagement and science communications underwent a major review and restructure. In the formation of the 2018-23 Scitech Business Plan it was evident that our corporate resources and focus needs to shift to:

- STEM leadership across the sector
- STEM contractor services
- STEM celebrations and events
- Digital engagement with WA science communicators

In March 2016 a new Partnership Department was established under the leadership of Ms Valerie Deal (Director of Excitement). The restructure of staff and increased cross organisation integration has improved morale and productivity.

Other program highlights for 2016/17 include:

- STEM leadership: Through the consultation process for the 2018-23 Scitech Business Plan it was recognised that Scitech is well positioned to provide leadership and brokering skills to develop a strong WA STEM sector. The scope of Scitech's reach and influence in STEM education, public engagement, science communication and stakeholder engagement enables it to play a key development role across WA.
- Scitech continues to facilitate and broker the Teacher Meet network events across the STEM learning areas.



"The Future Doctors program offered an insight into what being a doctor would actually be like, as well as an idea of the many pathways into medicine and the different kinds of doctors. The course has helped guide and encourage me to become a surgeon. Future Doctors also gave an interesting insight into the compassionate and empathetic sides of being a doctor, as I learned the industry is not just about smarts."

Chloe Walker, Student, Warwick Senior High School (R)



"I recently received the ASG National Excellence in Teaching Award and I was nominated as the Australian Education Ambassador to NASA. As a result, I went to the US to astronaut training in Alabama. These would not have been possible without the opportunities that Scitech and GWN News offered to me and to the school."

Jacob Windle, Teacher, St Paul's Primary School, Karratha

- Scitech hosted the 2017 Communicate to Inspire conference in conjunction with the WA branch of Australian Science Communicators. The event attracted 130 science communication professionals. In May 2016, Scitech planned and delivered the ASTEN conference for Australian and New Zealand science centre managers.
- Scitech continues to provide executive support to WA's National Science Week Coordinating Committee, overseeing delivery of the August 2016 National Science Week program and planning for the 2017 program. National Science Week is a collaborative undertaking with key WA science organisations.
- STEM contractor services: In 2016/17 Scitech fulfilled all its contractual requirements under the Federal and State Government Inspiring Australia contract. This included the delivery of National Science Week, Perth Science Festival, WA Regional Science Hubs and community science engagement programs. Scitech also delivered services in accordance with two Department of Education service provider contracts.
- STEM celebrations and events: Scitech worked closely with the Office of Science on the planning and delivery of the WA Science Hall of Fame and the Governor's School STEM Awards. Throughout 2016/17, Scitech hosted a significant number of public engagement events, including several with NASA astronaut Dr Scott Parazynski.
- Digital engagement with WA science communicators: 2016/17 was a transformational year with the development of a comprehensive, company-wide digital strategy. The strategy identified the areas for infrastructure investment, business system upgrades and digital engagement strategies. Through new ICT leadership, significant improvements in ICT services are being realigned.

A key outcome in 2016/17 was the delivery of a new online social media platform, Particle, which uses a clear and positive multimedia form to showcase WA science and scientists. Significant collaboration has been achieved across WA science organisations.

- Scitech continues to use social media channels to reach its diverse market segments. These include teachers (eNews), Scitrekker members and general public e-newsletters, as well as Facebook and Twitter followers.

#### OUR PEOPLE, OUR CULTURE

As at 30 June 2017, Scitech had 153 employees (109.75 FTEs), made up of 69 full time staff, 30 part time staff and 54 casual science presenter staff. Scitech has a 58-42% female-male staff ratio. We are very proud to also recognise and thank our 102 volunteers who contributed 9687 hours of energy and passion across Scitech.

Throughout 2016/17 all staff members were impacted by a change in their workstations as the revitalising building works disrupted workflows and resulted in program delays and disruption. At all times our commitment was to have minimal disruption to our visitors. Throughout the building and office relocation it was still 'business as usual'. The staff responded positively to the changes and the new work environments. For a close-knit work environment Scitech now 'operates' across two locations: the Science Centre and Admin@Troode St offices. After nearly 12 months under the new work environment the leadership team is focused on 'cultural shifts' and identifying proactive strategies needing to be activated to ensure a thriving and strong staff culture.



EXHIBITION NAME	CURRENTLY SHOWING	CONFIRMED FUTURE BOOKINGS
Speed	Mayborn, Texas	San Diego, Texas Birmingham, Alabama
Top Secret	Omaha, Nebraska	Kalamazoo, Michigan Wichita, Kansas
Backyard Adventures	Philadelphia, Pennsylvania	Chicago, Illinois Birmingham, Alabama Jacksonville, Florida
Going Places	Berkley, California	Richmond, Virginia
Playing with Light	Peoria, Illinois	Orlando, Florida
Rescue	Haifa, Israel	Wichita, Kansas Fort Lauderdale, Florida
Science Fiction, Science Future	Houston, Texas	San Antonio, Texas Jacksonville, Florida
Astronaut	Las Vegas, Nevada	West Palm Beach, Florida Reading, Pennsylvania Union City, Tennessee Jacksonville, Florida
Bionic Me	Brunei	Hartford, Connecticut Birmingham, Alabama
Planet Pioneers		Houston, Texas

Scitech continues to provide an Employee Assistance Program, as well as specialist support services for staff support and professional development.

### OUR BUSINESS DEVELOPMENT

Securing and growing Scitech’s future has been the Board’s prime focus throughout 2016/17. The Board completed the 2016/17 business and funding plan and this was submitted to the Minister for Science in August 2016. Consultation continues with the government, however the Board has received confirmation of continued State funding until June 2021. The Company also achieved a major revitalisation of its leasehold areas. This has created new and exciting visitor spaces and will provide an excellent base to help retain and grow visitation. The Board has invested heavily in responding to relocation proposals of government. This process enables stimulating and valuable discussion around mission, business objectives and future sustainability as a not-for-profit organisation.

Scitech’s export of travelling exhibitions has continued to grow, with improved internal coordination and resource allocation enabling improved relationships and service delivery to our US agent and their clients. Since commencing our export business to the US, Scitech exhibitions have reached (or will reach with confirmed future bookings as shown above) 48 science centres across North America.

### OUR PARTNERS AND STAKEHOLDERS

As a not-for-profit company our capacity to achieve our mission and vision requires a partnership approach with government, industry, universities, education sectors, schools, media and other not-for-profit organisations. It is a collective effort. The following partners and stakeholders listing reveals the scale and breadth of our collaborative relationships and the value these bring to the WA community.

### SCITECH PARTNERS FOR 16/17 PRINCIPAL PARTNER AND FUNDER

State Government of Western Australia—Department of the Premier and Cabinet, Office of Science

#### CORPORATE PARTNERS

- Alcoa Foundation
- BDO
- BHP
- Chevron Australia
- Coogee Chemicals
- Fluor
- GE
- Hawaiian
- Jacobs
- Lycopodium
- Mitsui Iron Ore Development
- Perth Airport
- PwC
- RAC of WA
- Rio Tinto
- The Stan Perron Charitable Foundation
- Woodside

#### GOVERNMENT PARTNERS

- Chem Centre
- City of Perth
- CSIRO Education, and Minerals and Resources
- Department of Education
- Department of Agriculture and Food WA
- Department of Fisheries
- Lotterywest
- Metropolitan Redevelopment Authority
- Questacon
- Water Corporation
- Western Australian Museum

#### INDUSTRY IN-KIND SUPPORTERS

- Accenture
- Edwards Wines
- Matso’s Broome Brewery
- Neverfail
- Sharp Perth

#### COMMUNITY AND RESEARCH GROUPS

- Academy of Technological Sciences and Engineering
- Astronomy WA
- Australian Academy of Science
- Centre for Integrated Bee Research
- Engineers Australia
- Engineers Without Borders
- Fogarty Foundation / CoderDojo WA
- Geological Survey Western Australia
- Inspiring Australia Regional Science Co-ordinating Committees
- International Centre for Radio Astronomy Research
- National Science Week Co-ordinating Committee
- Playgroup WA
- RoboCup
- Spacecubed
- Women in Technology WA
- Sustainable Schools Alliance WA

#### UNIVERSITIES

- CSER Digital Technologies Education (University of Adelaide)
- Curtin University
- Edith Cowan University
- Murdoch University
- The University of Western Australia

#### WA SCHOOLS

- Ashdale Secondary College and the Ashdale Cluster Schools
- Balcatta-Greenwood Network
- Cecil Andrews College
- Curtin Network
- Jigalong Remote Community School
- Karratha Cluster Network
- Moorditj Noongar Community College

#### STAKEHOLDER MEMBERSHIP

- Asia Pacific Network of Science and Technology Centres
- Association of Perth Attractions
- Association of Science and Technology Centres
- Australasian Planetarium Society



- Australasian Science and Technology Engagement Network
- Australian Science Communicators
- Chamber of Commerce and Industry Western Australia
- Council of Australasian Museum Directors
- European Network of Science Centres (Ecsite)
- Network of Australasian Museum Exhibitors

### EDUCATION PARTNERS

- Association of Independent Schools of Western Australia
- Career Education Association of Western Australia
- Catholic Education Office
- Earth Sciences Western Australia
- Educational Computing Association of Western Australia
- Flaktest Gaming
- Mathematical Association of Western Australia
- Science Teachers’ Association of Western Australia

### MEDIA PARTNER

- GWN7

**SCITECH PARTICLE** co-contributors in science communication stories 2016/17 (in addition to those already mentioned above)

- AusCann
- Austral Ecology
- Australian Academy of Science
- Australian Criminal Intelligence Commission
- Australian Desert Fireball Network
- Australian Institute Marine Science
- Australian Institute of Policy & Science
- Australian Journal of Zoology
- Australian Research Council
- Australian Wildlife Conservancy
- BirdLife
- Bloom
- British Council Australia
- Bunbury Discovery Dolphin Centre
- Centre for Integrative Bee Research (CIBER)
- Child and Adolescent Health Service - Department of Health WA

- City of Belmont
- City of Perth Library
- Cooperative Research Centre (CRC) for Honey Bee Products
- CORE Innovation Hub
- Cornell University
- Department of Biodiversity, Conservation and Attractions
- Eastern Metropolitan Regional Council
- ECOCEAN
- ECU Electron Science Research institute (ESRI)
- Edutainment Australia
- European Space Agency (ESA)
- Flinders University
- Foundation for Young Australians
- Goldfields Land and Sea Council
- Grains Research & Development Corporation
- Green World Revolution
- Healthway
- JAXA Japan’s National Space Agency
- Kanyana Wildlife Rehabilitation Centre
- Kings Park
- Lateral Events
- Let’s Make Games
- Lions Eye Institute
- Marine Mammal Science
- MGC Pharma
- Murdoch University Cetacean Research Unit
- NASA
- National Health and Medical Research Council of Australia
- National Youth Science Forum
- New Norcia Station
- New Zealand Food Safety Authority
- Northern Agricultural Catchments Council
- Oyster Harbour Catchment Group
- Perth Observatory
- Perth Zoo
- Princess Margaret and Fiona Stanley hospitals
- Purdue University
- Rangelands NRM
- River Guardians

- Roebuck Bay Working Group
- Royal Institution of Australia
- Royal Perth Hospital
- Royal Society of Western Australia
- Scinapse
- Shark Mitigation Systems (SMS)
- Simulation in Healthcare
- South Metropolitan TAFE
- Stanford University
- Stargazer Club WA
- Swansea University
- The Australian Medical Association
- The City of Albany
- The Friends of the Western Ground Parrot
- The Gilbert’s Potoroo Action Group
- The Great Cocky Count
- The Harry Perkins Institute of Medical Research
- The Nostalgia Box
- The Pawsey Supercomputing Centre
- The Wheatbelt Science Hub
- Think Inc
- Uearthed
- United Nations
- University of Nebraska
- University of Waterloo
- UNSW
- UWA Oceans Institute
- UWA School of Biological Sciences
- WA Country Health Service
- WA State Library
- Westcoast Community Centre
- Western Australian Herbarium
- World Health Organization
- Zooniverse

## OUR ACKNOWLEDGEMENTS

Our people are very special. As CEO I have been very fortunate that I got to work with such talented and committed staff and volunteers. Their energy and passion bring Scitech alive every day, whether that is at the science centre at City West or across regional and remote WA. Thank you for doing such as amazing job for the WA community.

The Board wishes to acknowledge the strong support of the Premier Colin Barnett MLA in his role as Minister for Science (July 2016–March 2017) and Minister for Science Dave Kelly MLA (March 2017–current). Our close working relationship with the team at the Office of Science, under the leadership of Ms Fiona Roche, is very much appreciated and valued. The Board also recognises the Chief Scientist of WA, Professor Peter Klinken, for his strong support. The Board also wishes to acknowledge the support and investment of the Minister for Education, Peter Collier MLC (July 2016–March 2017), and Sue Ellery MLC (March 2017–current) and the Department of Education.

To the Scitech Board of Directors, I extend a very special thank you in recognition of your valued wisdom and generous giving to all that is Scitech. Under Tony Joyner’s passionate and expressive style, Scitech has expanded and reached new heights. It is in a very healthy state and ready for a new CEO. Thank you.

To my leadership team: thank you for your commitment, investment and willingness to go the extra mile to make Scitech what it is today. I have loved working with you and wish you every success for the future.

Goodbye and good luck,

Alan Brien  
**Chief Executive Officer**  
**Scitech**



# DIRECTORS' REPORT

Your Directors submit the Financial Report of the Company for the year ended 30 June 2017.

## DIRECTORS

The names of Directors in office during the year ended 30 June 2017 and up to the date of this report are:

Mr Tony Joyner	Mr Shaun Gregory
Mr David Axworthy	Ms Fiona Roche
Mr David Joyce	Associate Professor Kristen Nowak
Professor Grady Venville	Dr Karen Murcia
Mr Matthew Weaver	Dr Alan Bye (appointed 28 November 2016)
Mr Martin Kirkness	Ms Kaye Butler (appointed 12 December 2016)

## COMPANY SECRETARY

The name of the Company Secretary in office during the year ended 30 June 2017 and up to the date of this report is: Mr Gary Foxton.

## EXECUTIVE GROUP

The names of the corporate executive group for the same period are:

Mr Alan Brien	Chief Executive Officer
Mr Gary Foxton	Chief Financial Officer
Mr Andrew Hannah	Director Science Programs
Mr Nicholas Wood	Director Statewide Programs
Dr Simon Carroll (resigned 26 March 2017)	Director Science Partnerships
Ms Veronika Gouskova	Director Marketing and Communications (maternity leave from 16 January 2017)
Dr Paula Lourie (appointed 9 January 2017)	Acting Director Marketing and Communications
Mrs Jayne Beresford	Director Exhibitions & Operations
Dr Rodney Thiele	Executive Projects Manager
Ms Valerie Deal (appointed 13 February 2017)	Director Excitement (Partnerships)
Ms Kirrily Wesley (appointed 8 February 2017)	Manager Human Resources
Mr Carl Stone (appointed 19 June 2017)	Director ICT and Services

## PRINCIPAL ACTIVITY

The principal activity of the Company was the operation of an interactive science, technology, engineering and maths (STEM) centre. This activity remained unchanged from the previous year.

## OPERATING RESULTS

The net profit of the Company for the year amounted to \$265,506 (2015/2016 net profit \$921,076).

## FINANCIAL POSITION

The net assets of the company increased from \$13,316,668 as at 30 June 2016 to \$13,582,174 as at 30 June 2017. Key aspects of this result included:

- an increase in trade and other receivables due to substantial pre-paid expenditure primarily in relation to National Science Week and an increase in Partnership funding invoiced but not received;

- an increase in more deferred income as a result of revenue received from US centres for travelling exhibition seasons planned for future periods;
- an increase in the carrying value of leasehold improvement assets as a result of a significant upgrade to the science centre facilities in West Perth; and
- an increase in trade and other payables primarily due to suppliers' invoices pertaining to the science centre upgrade which was completed late in the financial year being recognised but unpaid at year end.

On 20 June 2013, the Company signed a five-year funding agreement with the State Government for \$41.5 million over five years until June 2018. More recently (June 2017), the Company received advice from the Minister for Science confirming the State's decision to allocate funding totalling \$25.8 million for a further three years ending 30 June 2021.

## MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2017 and the number of full meetings attended by each director were:

	Full Meetings of Directors
<b>Numbers of Meetings Held</b>	<b>7</b>
Mr T Joyner	4
Mr D Axworthy	4
Mr D Joyce	4
Prof. G Venville	5
Mr M Weaver	5
Mr M Kirkness	7
Mr S Gregory	6
Ms F Roche	6
A/Prof. K Nowak	6
Dr K Murcia	7
Dr A Bye (appointed 28 November 2016 – 4 meetings held whilst a Director)	3
Ms K Butler (appointed 12 December 2016 – 4 meetings held whilst a Director)	3



INFORMATION ON DIRECTORS AS AT 30 JUNE 2017

Mr Tony Joyner

Qualifications: B Juris (Hons), LLB

Experience: Board Member since 18 November 2010

Managing Partner at Herbert Smith Freehills

Member of: Law Society of WA

Director of: Lions Eye Institute

Herbert Smith Freehills Global Council

WA Chamber of Commerce

Mr David Axworthy

Qualifications: BSc (Hons), Dip Ed, Registered Psychologist

Experience: Board Member from 2 November 2005 to 30 June 2007 and since 18 January 2008

Deputy Director General, Schools, Department of Education

Mr David Joyce

Qualifications: BEng (Civil) (Hons)

Experience: Board Member since 18 November 2010

Director of: Head of Rio Tinto Projects

Member of: Rio Tinto Growth & Innovation Executive Committee

Engineers Australia

Australian Institute of Company Directors

Prof. Grady Venville

Qualifications: BSc DipEd (UWA), GradScEd, PhD (Curtin)

Experience: Board member since 27 June 2013

Dean of Coursework Studies

Vice-Chancellery UWA

Member of: UWA Academic Board

Wesley College Council

Mr Matthew Weaver

Qualifications: BSc (Geology) (UWA), LLB (Hons) (UWA), MSc (Finance & Economics) (LSE)

Experience: Board member since 12 December 2013

Partner of Azure Capital

Member of: Azure Foundation

Mr Martin Kirkness

Qualifications: BComm(UWA), FCA, FTIA, Registered Company Auditor

Registered Tax Agent, Registered Superannuation Fund Auditor

Experience: Board Member since 17 December 2013

Managing Partner of Dry Kirkness Accountants

Chair of: Scitech Risk & Audit Committee

Trinity Theological College Inc

Audit Committee, Presbyterian Ladies' College

Member of: Chartered Accountants Australia and NZ

Taxation Institute of Australia

Mr Shaun Gregory

Qualifications: BSc (Hons) (UWA), Master Business & Technology (UNSW)

Experience: Board Member since 23 January 2015

Senior Vice President & Chief Technology Officer, Woodside Energy

Member of: Dean's Council Faculty Engineering Mathematics & Computer Science UWA

Ms Fiona Roche

Qualifications: BA (Hons), MComm

Experience: Board member since 8 September 2015

Executive Director, Science & Innovation, Department of Jobs, Tourism, Science and Innovation

Member of: ICRAR Board, WAMSI Board, WABSI Board

A/Prof. Kristen Nowak

Qualifications: BSc (Biotech) (Hons), PhD (UWA)

Experience: Board member since 30 May 2016

Team Leader—Neurogenetic Diseases

Harry Perkins Institute of Medical Research

Dr Karen Murcia

Qualifications: BAppSc (WAIT), DipEd (Curtin), Med, PhD (Murdoch)

Experience: Board member since June 2016

Deputy Head, School of Education, Curtin University

Member of: Curtin Academic Board

Child Australia Board, Deputy Chair

Australasian Science Education Research Association

Dr Alan Bye

Qualifications: BSc (Hons) (KwaZulu-Natal), PhD (KwaZulu-Natal)

Experience: Board member since 28 November 2016

Vice President – Technology, BHP

Member of: Advisory Board of METS Ignited Australia Ltd

CSIRO Mineral Resources Flagship Advisory Committee

Ms Kaye Butler

Qualifications: BAppSc (Curtin), Post Grad Dep Org Psych (Curtin)

Experience: Board member since 12 December 2016

General Manager – Human Resources, Chevron Australia

Member of: Australian Human Resource Institute: CAHRI

Australian Institute of Company Directors

Director of: Board of Australian Mines and Metals Association, AMMA (Deputy Chair)

Board of EON

Mr Gary Foxton

Qualifications: BBus (Curtin)

Experience: Company Secretary since 1 February 1992

Member of: CPA Australia

ENVIRONMENTAL REGULATION

The operations of the Company are not subject to any significant environmental regulations under either Commonwealth or State legislation.

NON-AUDIT SERVICES

During the financial year, no amounts were paid or are payable to the auditor for non-audit services. Details of amounts paid to the auditor for audit services are set out in note 5.

INSURANCE OF DIRECTORS & OFFICERS

During the financial year, the Company paid premiums of \$11,720 to indemnify its directors and officers against costs and expenses which could arise out of liability claims relating to wrongful acts.

MATTERS SUBSEQUENT TO THE END OF FINANCIAL YEAR

There were no matters or circumstances that have arisen subsequent to the end of the financial year which significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company that need to be disclosed in this Directors' Report.

AUDITOR INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307c of the Corporations Act 2001 is included on page 47 of the financial report. Auditor BDO Audit (WA) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

Signed in accordance with a resolution of the Board of Directors made on 21st September 2017.



Martin Kirkness  
(Acting) Chair of the Board

Dated this 21st day of September 2017 at Perth, Western Australia

The directors of Scitech Discovery Centre declare that:

- (a) the financial statements, comprising the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the additional disclosures included in the Annual Report are in accordance with the ACNC Act 2012 and
  - (i) comply with Australian Accounting Standards (including the Australian Accounting Interpretations), the ACNC Regulations 2013 and other mandatory professional reporting requirements; and
  - (ii) give a true and fair view of the Company's financial position as at 30 June 2017 and of its performance, as represented by the results of its operations and cash flows, for the year ended on that date.
- (b) 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 and is signed for and on behalf of the directors by



Martin Kirkness  
(Acting) Chair of the Board

Dated this 21st day of September 2017 at Perth, Western Australia

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 \$	2016 \$
Revenue from continuing operations	3	18,942,074	17,530,459
Employee benefits expense		(8,671,127)	(8,257,007)
Depreciation & amortisation expense	4	(2,186,607)	(2,209,590)
Lease expense		(1,936,108)	(1,420,552)
Asset impairment loss	4	(443,407)	-
Marketing expense		(2,280,025)	(1,224,687)
Public program expense		(773,475)	(836,419)
Educational program expense		(1,010,865)	(904,204)
Exhibit and exhibition expense		396,275	333,339
Administration expense		(1,771,229)	(2,090,263)
Profit from continuing operations before income tax expense		265,506	921,076
Income tax expense	1(a)	-	-
Net Profit from continuing operations after income tax expense and total comprehensive income		265,506	921,076

The above Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.



## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2017

	Notes	2017 \$	2016 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		10,045,126	10,284,398
Trade and other receivables	6	1,704,260	849,167
Inventories		105,760	105,736
<b>TOTAL CURRENT ASSETS</b>		<b>11,855,146</b>	11,239,301
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	7	8,099,589	7,033,913
<b>TOTAL NON-CURRENT ASSETS</b>		<b>8,099,589</b>	7,033,913
<b>TOTAL ASSETS</b>		<b>19,954,735</b>	<b>18,273,214</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	8	2,122,356	1,188,826
Deferred income	9	3,554,026	3,088,675
Provisions	10	550,958	467,557
<b>TOTAL CURRENT LIABILITIES</b>		<b>5,993,445</b>	6,227,340
<b>NON-CURRENT LIABILITIES</b>			
Provisions	10	145,221	211,488
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>145,221</b>	211,488
<b>TOTAL LIABILITIES</b>		<b>6,372,561</b>	<b>4,956,546</b>
<b>NET ASSETS</b>		<b>13,582,174</b>	<b>13,316,668</b>
<b>EQUITY</b>			
Retained profits		13,582,174	13,316,668
<b>TOTAL EQUITY</b>		<b>13,582,174</b>	<b>13,316,668</b>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
<b>Total equity at the beginning of the financial year</b>	<b>13,316,668</b>	<b>12,395,592</b>
Net profit after income tax expense for the year and total comprehensive income	265,506	921,076
<b>Total equity at the end of the financial year</b>	<b>13,582,174</b>	<b>13,316,668</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$ Inflows (Outflows)	2016 \$ Inflows Outflows)
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from admissions	2,251,445	2,223,111
Receipts from exhibition rentals	2,316,523	2,103,419
Receipts from partners	2,570,983	2,777,104
Receipts from merchandise sales	452,801	533,545
Receipts from education programs	679,761	552,563
Receipts from Scitrekker memberships	349,210	354,457
Receipts from marketing functions	294,115	366,934
Receipts from other operating activities	1,599	42,594
Receipts from State government	8,602,174	9,997,631
Receipts from Federal government	175,500	219,922
Interest received	304,412	252,649
Payments to suppliers and employees	(14,542,105)	(13,614,654)
Net cash inflow from operating activities (Note 14(i))	3,456,418	5,809,275
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>		
Payment for property, plant and equipment	(3,695,690)	(2,464,031)
Net cash outflow from investing activities	(3,695,690)	(2,464,031)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD</b>	<b>(239,272)</b>	3,345,244
Cash and cash equivalents at the beginning of the financial year	10,284,398	6,939,154
Cash and cash equivalents at the end of the financial year	10,045,126	10,284,398
Cash and cash equivalents at the end of the financial year is comprised of:		
Cash on hand	19,330	19,330
Cash on deposit	10,025,796	10,265,068
	10,045,126	10,284,398

Financing Arrangements - Note 14(ii)

This Statement of Cash Flows should be read in conjunction with the accompanying notes.

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 taxation authority, are presented as operating cash flow.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are general-purpose financial statements, which have been prepared in accordance with the ACNC Act 2012, Australian Accounting Standards (including Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board.

These financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The financial statements of Scitech also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

#### (a) Income Tax

The Company is exempt from income tax under the provisions of Division 50-5 of the Income Tax Assessment Act 1997.

#### (b) Significant accounting judgement, estimates and assumptions

(i) Significant accounting judgement

In the process of applying the Company's policies, management has made the following judgements, apart from those involving estimates, which have the most significant effect on the amounts recognised in the financial statements:

Refer to note 7 for Property, Plant and Equipment

#### (c) New accounting standards and interpretations

Certain new accounting standards have been published that are not mandatory for 30 June 2017 reporting periods. The Company has not applied the following in preparing this report:



AASB reference	Title and Affected Standard(s):	Nature of Change	Application date:	Impact on Initial Application
AASB 16 (issued February 2016)	Leases	<p>AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases onto its balance sheet in a similar way to how existing finance leases are treated under AASB 117. An entity will be required to recognise a lease liability and a right of use asset in its balance sheet for most leases.</p> <p>There are some optional exemptions for leases with a period of 12 months or less and for low value leases.</p> <p>Lessor accounting remains largely unchanged from AASB 117.</p>	Annual reporting periods beginning on or after 1 January 2019	<p>To the extent that the entity, as lessee, has significant operating leases outstanding at the date of initial application, 1 July 2019, right-of-use assets will be recognised for the amount of the unamortised portion of the useful life, and lease liabilities will be recognised at the present value of the outstanding lease payments.</p> <p>Thereafter, earnings before interest, depreciation, amortisation and tax (EBITDA) will increase because operating lease expenses currently included in EBITDA will be recognised instead as amortisation of the right-of-use asset, and interest expense on the lease liability. However, there will be an overall reduction in net profit before tax in the early years of a lease because the amortisation and interest charges will exceed the current straight-line expense incurred under AASB 117 Leases. This trend will reverse in the later years.</p> <p>There will be no change to the accounting treatment for short-term leases less than 12 months and leases of low value items, which will continue to be expensed on a straight-line basis.</p>

2. FINANCIAL RISK MANAGEMENT

(a) Financial Risk Management

The Company’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The main risks the Company is exposed to through its financial instruments are credit risk, interest rate risk and liquidity risk.

(b) Credit Risk

Credit Risk refers to the risk that a third party will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with credit worthy customers with a sound financial background as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis.

The Company does not have any significant credit risk exposure to a single third party or any group of entities having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company’s maximum exposure to credit risk.

Financial assets that are neither past due nor impaired are as follows:

	2017 \$	2016 \$
<b>Trade receivables - counterparties without external credit rating -</b>		
Existing customers with no defaults in past	612,268	433,315
New customers (less than 6 months)	26,750	29,016
Existing customers with some defaults in the past	-	-
	639,018	462,331
<b>Cash and cash equivalents</b>		
AA rating	10,045,126	10,284,398

(c) Interest Rate Risk

The Company’s exposure to interest rate risk, which is the risk that a financial instrument’s value will fluctuate as a result of changes in market interest rates, is limited by its policy of investing only in large and recognised banking institutions where exposure to volatile interest rates is minimal. The effective weighted average interest rates on those financial assets and financial liabilities, is as follows:

2017	Floating interest rate	Non-interest bearing	Total
<b>Financial assets</b>			
Cash	10,045,126	-	10,045,126
Trade and other receivables	-	1,704,260	1,704,260
<b>Financial liabilities</b>			
Trade and other payables	-	2,673,314	2,673,314
Weighted average interest rate			
2.27%			

2016	Floating interest rate	Non-interest bearing	Total
<b>Financial assets</b>			
Cash	10,284,398	-	10,284,398
Trade and other receivables	-	849,167	849,167
<b>Financial liabilities</b>			
Trade and other payables	-	1,656,383	1,656,383
Weighted average interest rate			
2.36%			

Sensitivity analysis relating to interest rate risk has not been disclosed as any impact is not considered material to the profit or loss of the Company.

(d) Fair Value Estimation

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

Management monitors rolling forecasts of the Company’s liquidity on the basis of anticipated cash flow. Forecast liquidity reserves for the twelve month period ending 30 June 2017 are as follows:

Opening Balance for the Period	\$9,932,025
Cash Inflows from Activities	\$20,063,247
Cash Outflows from Activities	\$21,909,476
Closing Balance for the Period	\$8,085,796

(e) Liquidity Risk

Prudent liquidity risk management implies maintaining appropriate cash to ensure that the Company is operating with sufficient cash supplies whilst maximising its investment return on surplus funds.

Longer term liquidity forecasts are primarily geared to the timing of State funding instalments set down in the Five Year Funding Agreement signed by the Company and by the State on 20 June 2013 and re-affirmed until 30 June 2021 in a letter from the Minister of Science dated 30 June 2017.

Maturities of financial liabilities

The table below analyses the entity’s financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 6 months	6 months - 1 year	1-2 years	Over 2 years	Total contractual cash flows	Carrying amount
2017	2,122,356	-	-	-	2,122,356	2,122,356
Trade and other payables						
2016	1,188,826	-	-	-	1,188,826	1,188,826
Trade and other payables						

3. REVENUE

	2017 \$	2016 \$
<b>Revenue from continuing operations</b>		
Admissions	2,248,325	2,231,110
Exhibition Rental	1,899,750	2,201,573
Partnerships – cash	2,366,075	2,160,126
– non cash	789,111	407,167
Merchandise sales	452,801	533,545
Education programs	650,778	540,285
Scitrekker memberships	349,210	354,457
Marketing functions	296,765	350,855
State government funding (note a)	8,750,000	8,300,000
State Department of Education funding (note a)	616,998	102,176
Federal government funding (note b)	216,250	53,922
Interest received	304,412	252,649
Other operating revenue	1,599	42,594
TOTAL REVENUE	18,942,074	17,530,459

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognised.

(i) Sale of goods

Revenue is recognised when the significant risks and rewards of the goods have passed to the buyer and can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods or provision of the service to the customer.



(ii) *Interest*  
Revenue is recognised as the interest accrued (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(iii) *Partnerships*  
Cash partnerships are brought to account as income in the period to which they relate. Partnerships received in forms other than cash are valued at the current market rate of those goods or services.

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants relating to costs are deferred and recognised in the Statement of Comprehensive Income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase or construction of property, plant and equipment are included in liabilities as deferred income and are credited to the Statement of Comprehensive Income over the expected lives of the related assets.

**(a) State government grants**  
State government grants totalling **\$9,366,998** (2016 \$8,402,176) were recognised as income during the financial year. No unfulfilled conditions or other contingencies attach to these grants and no other form of assistance was received from the State during 2016/17 other than amounts recognised as 2016/17 income.

**(b) Federal government grants**  
Federal government grants totalling **\$216,250** (2016 \$53,922) were recognised as income during the financial year. No unfulfilled conditions or other contingencies attach to these grants and no other form of assistance was received from the Federal government during the 2016/17 year other than amounts recognised as 2016/17 income.

4. NET PROFIT

Net Profit includes the following specific expenses:

	2017	2016
	\$	\$
Amortisation of leasehold improvements	137,281	105,479
Depreciation of		
- exhibits	1,744,929	1,744,281
- plant & equipment	286,411	343,326
- motor vehicles	17,986	16,504
Total depreciation	2,049,326	2,104,111
Asset impairment losses	443,407	-
Transfer to provisions for		
- annual leave	43,382	21,985
- long service leave	(26,249)	(7,038)
	17,133	14,947

	2017	2016
	\$	\$

5. AUDITORS’ REMUNERATION

Amounts due and receivable by the auditors for:		
Auditing services	26,500	26,500

6. TRADE AND OTHER RECEIVABLES - CURRENT ASSETS

Trade receivables	639,018	462,331
Other receivables	1,065,242	386,836
	1,704,260	849,167

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for doubtful debts. Trade receivables are due for settlement no more than 120 days from the date of recognition for land development and resale debtors and no more than 30 days for other debtors.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset’s carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is recognised in the Statement of Profit and Loss and Other Comprehensive Income.

**Other receivables**  
These transactions refer primarily to anticipated refunds of GST paid on acquisitions, to operating expense prepayments and to partnerships due but unpaid at year end.

**Ageing of trade receivables past due not impaired**  
As at 30 June 2017 (\$388) and 30 June 2016 (\$Nil) there were no trade receivables past due not impaired.

**Ageing of impaired trade receivables**  
As at 30 June 2017 and 30 June 2016 there were no trade receivables impaired.

	2017 \$	2016 \$
<b>7. PROPERTY PLANT AND EQUIPMENT NON-CURRENT ASSETS</b>		
Leasehold improvements at cost	<b>7,880,071</b>	6,225,751
Less: Accumulated amortisation	<b>(5,925,841)</b>	(5,706,034)
	<b>1,954,230</b>	519,717
Exhibits at cost	<b>30,671,272</b>	29,045,253
Less: Accumulated depreciation	<b>(25,845,657)</b>	(23,746,679)
	<b>4,825,615</b>	5,298,574
Plant and equipment at cost	<b>7,192,828</b>	7,041,868
Less: Accumulated depreciation	<b>(6,440,777)</b>	(6,147,534)
	<b>752,051</b>	894,334
Construction work in progress - exhibits	<b>443,431</b>	274,788
Motor vehicles at cost	<b>911,364</b>	815,616
Less: Accumulated depreciation	<b>(787,102)</b>	(769,116)
	<b>124,262</b>	46,500
Total cost of property, plant and equipment	<b>47,098,966</b>	43,403,276
Total accumulated depreciation & amortisation	<b>(38,999,377)</b>	(36,369,363)
Total property, plant and equipment	<b>8,099,589</b>	7,033,913

## 7. PROPERTY PLANT AND EQUIPMENT NON-CURRENT ASSETS CONTINUED

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below.

	Leasehold Improvements	Exhibits	Plant & Equipment
Carrying amount at 1 July 2016	<b>519,717</b>	<b>5,298,574</b>	<b>894,334</b>
Assets transferred from work in progress	-	<b>1,626,019</b>	-
Additions	<b>1,654,320</b>	-	<b>150,960</b>
Impairment charge	<b>(82,526)</b>	<b>(354,049)</b>	<b>(6,832)</b>
Depreciation/amortisation	<b>(137,281)</b>	<b>(1,744,929)</b>	<b>(286,411)</b>
Carrying amount at 30 June 2017	<b>1,954,230</b>	<b>4,825,615</b>	<b>752,051</b>

	Work in Progress	Motor Vehicles	Total
Carrying amount at 1 July 2016	<b>274,788</b>	<b>46,500</b>	<b>7,033,913</b>
Construction of assets	<b>2,386,091</b>	-	<b>2,386,091</b>
Assets transferred from work in progress	-	-	<b>1,626,019</b>
Additions	-	<b>95,748</b>	<b>1,901,028</b>
Work in progress transferred to exhibits	<b>(1,626,019)</b>	-	<b>(1,626,019)</b>
Work in progress expensed	<b>(591,429)</b>	-	<b>(591,429)</b>
Impairment charge	-	-	<b>(443,407)</b>
Depreciation/amortisation	-	<b>(17,986)</b>	<b>(2,186,607)</b>
Carrying amount at 30 June 2017	<b>443,431</b>	<b>124,262</b>	<b>8,099,589</b>



7. PROPERTY PLANT AND EQUIPMENT NON-CURRENT ASSETS CONTINUED

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the 2015/16 financial year are set out below.

	Leasehold Improvements	Exhibits	Plant & Equipment
Carrying amount at 1 July 2015	572,717	4,436,664	1,153,556
Assets transferred from work in progress	-	2,606,191	-
Additions	52,479	-	84,104
Impairment charge	-	-	-
Depreciation/amortisation	(105,479)	(1,744,281)	(343,326)
Carrying amount at 30 June 2016	519,717	5,298,574	894,334

	Work in Progress	Motor Vehicles	Total
Carrying amount at 1 July 2015	553,531	63,004	6,779,472
Construction of assets	2,983,752	-	2,983,752
Assets transferred from work in progress	-	-	2,606,191
Additions	-	-	136,583
Work in progress transferred to exhibits	(2,606,191)	-	(2,606,191)
Work in progress expensed	(656,304)	-	(656,304)
Impairment charge	-	-	-
Depreciation/amortisation	-	(16,504)	(2,209,590)
Carrying amount at 30 June 2016	274,788	46,500	7,033,913

(a) Acquisitions of assets

The cost method of accounting is used for all acquisitions of assets. Cost is determined as the fair value of the assets given up at the date of acquisition plus incidental costs to the acquisition.

The Company adopts a policy of expensing individual assets purchased or constructed for less than \$1,500.

(b) Depreciation and amortisation

Asset additions are depreciated from the beginning of the month of their purchase or from the beginning of the month in which construction was completed.

(i) Impairment of property, plant and equipment  
The Company determines whether property, plant and equipment are impaired whenever indicators of impairment exist. This requires

an estimate of the recoverable amount of the property, plant and equipment. The assumptions used in this estimation of recoverable amount and the carrying amount are detailed in Note 7 below.

(c) Non-current assets constructed by the Company

The cost of non-current assets constructed by the Company includes the cost of all materials and direct labour used in construction and a provision for salary oncosts and overheads.

(d) Impairment of assets

At reporting date, management assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, management makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less cost to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Property, plant and equipment and leasehold improvements are carried at cost less accumulated depreciation and any impairment in value.

(i) Depreciation & Amortisation  
Depreciation is calculated on a straight line basis over the estimated useful life of the asset as follows:

- Exhibits – 5 years
- Plant and equipment – 2 to 5 years
- Leasehold improvements – 10 years
- Capitalised Development Costs – 3 Years

The assets' residual values, useful lives and amortisation method are reviewed, and adjusted if appropriate, at each financial year end.

(ii) Impairment  
The carrying values of property and plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. Impairment losses if any are recognised in the Statement of Profit and Loss and Other Comprehensive Income.

The recoverable amount of property and plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An item of property and plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Profit and Loss and Other Comprehensive Income.

(iii) Revaluations  
Following initial recognition at cost, property and plant and equipment are carried at revalued amounts, which represent the fair value at the date of the revaluation less any subsequent accumulated depreciation and any subsequent impairment losses. Fair value is determined by reference to market-based evidence, being the amount at which the asset could be exchanged between knowledgeable parties as an arm's length transaction.

	2017 \$	2016 \$
<b>8. TRADE AND OTHER PAYABLES</b>		
<b>CURRENT LIABILITIES</b>		
Trade payables	1,124,706	331,248
Other payables	997,650	857,578
	<b>2,122,356</b>	1,188,826

**(a) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**9. DEFERRED INCOME**

<b>CURRENT LIABILITIES</b>		
Revenue received in advance	3,554,026	3,088,675

**10. PROVISIONS**

<b>CURRENT LIABILITIES</b>		
Employee benefits	550,958	467,557
<b>NON-CURRENT LIABILITIES</b>		
Employee benefits	145,221	211,488

**(a) Employee entitlements**

*(i) Wages and Salaries and Annual Leave*

Liabilities for wages and salaries and annual leave are recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

*(ii) Long Service Leave*

A liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

As at the 30 June 2017, the number of full-time equivalent employees was 109.75.

**11. EXPENDITURE COMMITMENTS**

(a) Operating lease commitments		
Payable - not later than one year	2,578,405	2,295,155
- later than one year but not later than two years	374,852	2,353,990
- later than two years but not later than five years	49,235	36,490
- later than five years	-	-
	<b>3,002,492</b>	4,685,595

Estimates include City West rental commitments of \$291.75 per m<sup>2</sup> pa for 4340.5 m<sup>2</sup> from 1 July 2014 escalating at 3% per annum and \$163.20 per m<sup>2</sup> pa for 706 m<sup>2</sup> from 1 July 2015 escalating at 3% per annum as per the five year lease signed on 31 July 2013. The balance relates to City West statutory and variable outgoings and to leases for corporate vehicles and VOIP systems.

(b) Capital commitments estimated aggregate amounts of contracts for capital expenditure not provided for in the accounts:	3,377,700	4,028,295
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**12. LEGAL FORM**

Scitech Discovery Centre is a public company limited by guarantee and incorporated under the Corporations Law of Western Australia. Its registered office as at the date of this report is Second Floor, 27-31 Troode Street, West Perth, in the State of Western Australia. Its ABN is 55 009 292 700.

Every member of the Company undertakes to contribute an amount to the assets of the Company in the event of it being wound up, not exceeding \$100 per member. As at 30 June 2017, there were **38 members**.

**13. RELATED PARTIES**

Board Directors received no emolument from the Company and no payments to superannuation funds for the provision of retirement benefits were made on their behalf.

**Transactions with related parties**

Director David Joyce is Global Head of Rio Tinto Projects, Director Shaun Gregory is a Vice President of Woodside Energy, Director Kaye Butler is a General Manager with Chevron Australia and Dr Alan Bye is a Vice President with BHP. Rio Tinto, Woodside Energy, Chevron Australia and BHP all provided partnership funding to the Company during the 2016/17 year.

Dr Karen Murcia is a member of the Academic Board at Curtin University. Professor Grady Venville and Associate Professor Kristen Nowak are both on staff at the University of Western Australia. Both universities provided financial support for specific programs held by the Company during the year.

Director David Axworthy is the Deputy Director General, Schools, Department of Education which provided grants to the Company for the delivery of professional development workshops for teachers and STEM Learning Project materials to Department schools.

Director Fiona Roche is an Executive Director with the Department of Jobs, Tourism, Science and Innovation, Scitech's primary State funding department.

Director Tony Joyner is a managing partner at Herbert Smith Freehills. HSF provided legal advice to the Company on commercial terms and conditions during 2016/17.



Aggregate amounts of each of the above types of transactions with Directors were as follows:

	2017	2016
	\$	\$
Financial support received	2,444,774	1,453,000
Funding received	9,366,998	8,402,176
Legal advice provided	17,442	0

14. NOTES TO THE STATEMENT OF CASH FLOWS

i) Reconciliation of net cash inflows from operating activities to net profit after income tax:

	2017	2016
	\$	\$
Net profit after income tax	265,506	921,076
Depreciation	2,049,326	2,104,111
Amortisation	137,281	105,479
Asset Impairment Losses	443,407	-
(Increase)/decrease in trade and other receivables	(855,093)	(178,936)
(Increase)/decrease in inventories	(24)	(11,544)
Increase/(decrease) in trade and other payables	933,530	346,927
Increase/(decrease) in provisions	17,134	14,947
Increase/(decrease) in deferred income	465,351	2,507,215
Net cash inflow from operating activities	3,456,418	5,809,275

ii) Financing arrangements

At reporting date there were no credit facilities available to the Company.

15. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There has been no matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has 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 future financial years.

(a) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised as income on a straight line basis over the lease term.

Finance leases

Leases which effectively transfer substantially all of the risks and rewards incidental to ownership of the leased item to the Company are capitalised at the present value of the minimum lease payments and disclosed as property, plant and equipment under lease. A lease liability of equal value is also recognised.

Capitalised lease assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability with the interest expense calculated using the interest rate implicit in the lease and recognised directly in net profit.

(b) Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(c) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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 taxation authority is included with other receivables or payables in the Statement of Financial Position.

(d) Fair value estimation

The nominal value less estimated credit adjustments of trade and other current receivables and payables are assumed to approximate their fair values.

(e) Foreign currency translation

Transactions in foreign currency are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at balance date are translated to Australian dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(f) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is based on the first-in, first-out principle of inventory management.



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## INDEPENDENT AUDITOR'S REPORT

To the members of Scitech Discovery Centre

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Scitech Discovery Centre (the registered entity), which comprises the statement of financial position as at 30 June 2017, 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 report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of Scitech Discovery Centre, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Other information

Those charged with governance are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the registered entity's annual 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 responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity'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 responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

Phillip Murdoch

Director

Perth, 21 September 2017





1. No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (ACNC Act)* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

Director

Perth, 21 September 2017

