



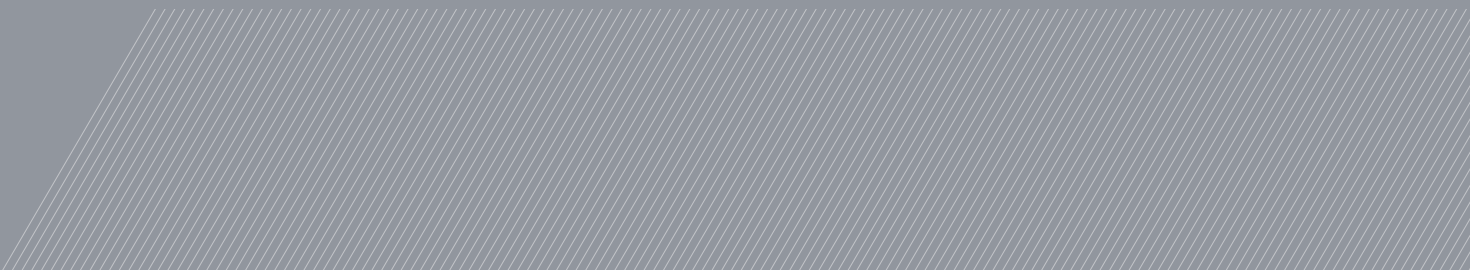
# 2017 Annual Report





# Contents

<b>President's Report</b>	<b>3</b>
<b>CEO Report</b>	<b>4</b>
<b>Partners and Supporters</b>	<b>6</b>
<b>Our Purpose</b>	<b>7</b>
<b>Board of Directors</b>	<b>8</b>
<b>Directors' Report</b>	<b>10</b>
<b>Auditor's Independence Declaration</b>	<b>14</b>
<b>Statement of Profit or Loss</b>	<b>15</b>
<b>Statement of Financial Position</b>	<b>16</b>
<b>Statement of Changes in Members' Funds</b>	<b>17</b>
<b>Statement of Cash Flows</b>	<b>18</b>
<b>Notes to the Financial Statements</b>	<b>19</b>
<b>Directors' Declaration</b>	<b>30</b>
<b>Independent Audit Report</b>	<b>31</b>



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# President's Report

I have now been in the recruitment industry for around 18 years. I have had the honour of leading in the world of work, firstly as the Vic/Tas Chair for 7 years, and as a Director on the RCSA national board for 10 years. During this time I have seen much change, we have endured many threats and are now stronger as an industry than ever before. What we have achieved makes me immensely proud. Our industry is incredible, our association is powerful and our people are inspirational.

I have been fortunate to operate and lead in an industry that makes such a large impact on the national economies of Australia and New Zealand, the communities in which we work and live and, importantly, in the lives of the people we have the privilege to meet and help every day.

When you strip back what we do, it is simple, we provide people with hope, opportunity and work. We have the joy of calling people to tell them they have a job or to offer them advice and support in how to secure the next one. Each and every day we not only change the lives of individuals, but the lives of their sons, daughters, mothers, fathers and friends. The impact of our work, done well, knows no boundary.

These jobs contribute to the economic growth of Australia and New Zealand by employing 500,000 people every day.

Likewise, I am also proud that as an industry body we are constantly looking forward to ensure we are ahead of what's happening in the market, here and internationally, and can continue to be of value to our varied stakeholders.

As our recent conference showed, we are driven towards embracing technology and ensuring we are more efficient in all of our operations for candidates and clients alike. We are driven to learn from others outside of our sector, to adopt new leadership and management styles and to collaborate as partners, whilst knowing we also compete. The community of industry, led by RCSA, also enlivens me and drives me, as President of RCSA, to achieve more.

As our new brand attests, we are truly leaders in the world of work.

With the new brand, new strategy, new executive leadership and an exciting new partnership with Prime Super, it's a great time to be part of RCSA.

As mentioned, I have enjoyed the privilege of serving for 10 years on the RCSA Board of Directors, four of those as Vice President and four as the President. I feel humbled and proud of what we have achieved during this time, all made possible by our amazing team of Directors who have given tirelessly over the years to make this association as successful as it is today. Their contribution often goes unrecognised but without it the industry would not be what it is today.

We will continue to increase representation, provide benefits, learn and develop and advocate for this amazing industry under the stewardship of our great and capable CEO, Charles Cameron. Charles has assembled a new, very capable and agile team that will deliver continued success. Charles has undertaken considerable reformation of RCSA, both inside and out, and the Board has invested your monies in that transition, to ensure that it is fit to lead over the next 10 years. New brand, new principle partner, new staff, new infrastructure and, most importantly, new value to members based on the principle of member-centricity.

I would particularly like to thank Bob Olivier, who retired from the Board this year. Bob has provided selfless service to the RCSA and, in his role as Finance Director, has been a steady hand the Directors relied upon month in, month out. Thank you Bob for your leadership.

As my term as President comes to an end this year, I am thankful for the opportunity and grateful for your trust in me. I am looking forward to providing ongoing encouragement and assistance, where needed, to our new President who will be elected by the Board following our AGM this November. We will continue to lead in the world of work and I, for one, will be by your side!



**Robert van Stokrom** FRCSA  
President, RCSA

# CEO Report

## Transformation, Purpose and Leadership

Transformation is a word with many connotations and challenges, but one that drives hope, purpose and new opportunity.

In my first full year as Chief Executive of RCSA, your association, I am proud to have laid the foundations for lasting transformation so that you, our members, are represented and served in a manner that befits your professionalism and special contribution to the people and organisations of Australia and New Zealand. It has been a year of relentless review, restructure and impassioned protection of our industry and profession because RCSA members are the best in business and I will never let your name or purpose be misrepresented. I fundamentally believe you lead in the world of work.

I would like to begin by thanking the Board of Directors for granting me the financial and operational means to transform your association to be future fit and more representative of your professional standing. Transformation takes investment. While there is more work to be done, both internally and with external stakeholders, I firmly believe RCSA is ready to launch into a new phase of leadership and member support. In particular, I have enjoyed enormous support from outgoing President Robert van Stokrom and Vice Presidents Sinead Hourigan and Peter Langford. Robert has given tirelessly and has had a vision for change and purpose that will become a lasting legacy for your association. Thank you Robert for your commitment to, and belief in, the great work of RCSA members and my transformation agenda. You are one of a kind and RCSA is stronger and better for your passionate leadership.

Members will see, from the financial result for the 2016/17 financial year, that your reserves have been called upon to invest in the future of the association and the protection of the recruitment market and brand. We have throughout the year, introduced new staff, new systems, new strategy and prepared for a new brand to give you what you need, and deserve, in a future-fit association. While there has been significant internal investment the industry has simultaneously been under attack like never before.

“We have throughout the year introduced new staff, new systems, new strategy and prepared for a new brand to give you what you need, and deserve, in a future-fit association.”

Over the past year, RCSA has been leading the fight in protecting and defending the on-hire worker services sector during four Australian State and Territory inquiries and an uncompromising smear campaign in the media on the non-professional segment of the industry. We've also encountered two major Australian federal government inquiries and increasing media attention in the New Zealand market, as certain interest groups seek to blame global change upon the labour market. The same labour market that creates jobs and delivers certainty in increasingly volatile economic times.

Importantly, though, we have had many wins, one of which was our defence against ideologically driven attempts by unions to impose limitations on casual employment within Modern Awards. We have been supported by the Migrant Workers Taskforce and relied upon strongly for leadership before the Black Economy Taskforce in Australia. RCSA has also been influential in our lobbying of the Labour Inspectorate in New Zealand to ensure they recognise our leadership on standards and good practice.

During this time of government and media focus upon the recruitment and employment industry, I am proud to have established the StaffSure Workforce Services Provider Standard and associated certification program, which will be launched in late 2017. In addition to the Employment Services

# CEO Report

## Continued

Industry Code, which was lodged with the Australian Government Treasury for prescription under competition law (pending) the StaffSure Standard will provide business and government procurers of workforce services with a single point of trust so that they can reward RCSA members and reject approaches of disreputable operators. I genuinely believe StaffSure will change the landscape of both the Australian and New Zealand recruitment and workforce services markets.

You will see, in this report, how our new strategy gives your association new direction framed around providing you with a member-centric experience. This strategy comes from listening to you the members and affirming our focus in offering professional pathways, business enablement, networking and celebration. To lead in the world of work is a bold purpose and requires commitment from all RCSA members, our leaders and our staff and through our investment in leading talent, business critical processes and member group optimisation we will be ready to deliver future surplus to achieve our mission. To that end I would like to also thank the amazing new team that have invested their heart and soul in the renewal of RCSA over the past 12 months. What I have termed your "RCS A-Team" personify how great recruitment and talent acquisition underpins every great business and purpose. Combined with an amazing network of contractors and sponsors there is a new 'can-do' culture and community within your association.

Finally, I would like to thank you the RCSA members. Whether you are a Director, Councillor, Working Group volunteer, fellow or somebody who pays your membership fee year in year out, it is incredibly important that you know that we at RCSA are immensely proud of how you change lives, communities and economies. Your great work gives us purpose and meaning.

Lead on!



**Charles Cameron**  
Chief Executive Officer

## Supporters

RCSA would like to thank its 2016/2017 Supporters without which many programs, events and activities would not be possible.

### Supporters

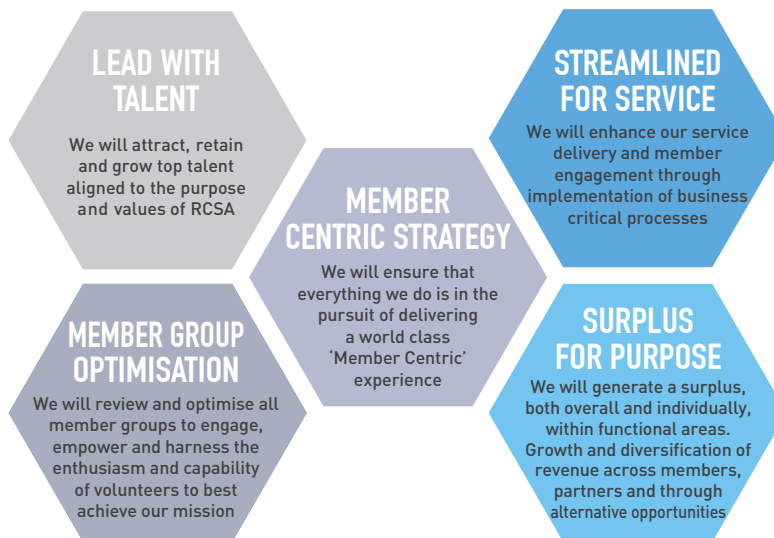
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# OUR PURPOSE

To lead in the world of work.

## OUR STRATEGIC PRIORITIES

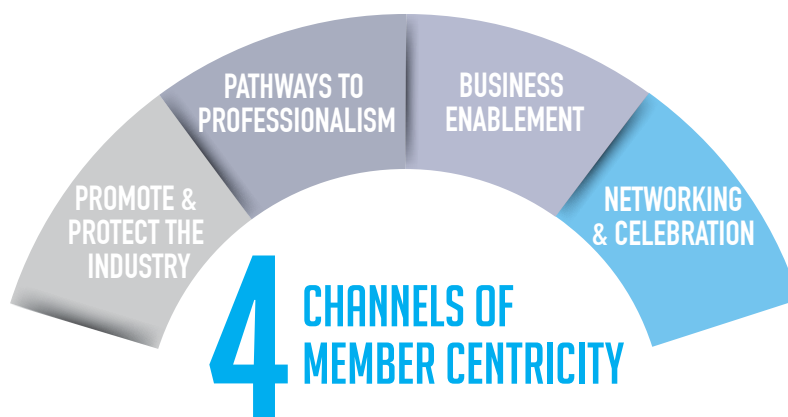


## OUR MISSION

Through our leadership in the world of work, and empowerment of members, we will improve lives, communities and the economy.

## OUR MEMBER VALUE PROPOSITION

Everything that we do is in the pursuit of delivering a world class 'Member Centric' experience. We will lead and respond to our members through four principal channels and, by doing so, will compel the wider industry and next generation of professionals to fulfil our mission.





# Board of Directors

## President



**Robert van Stokrom**

FRCSA

**Qualifications:**

Dip. Business,  
Grad Dip Logistics

**Experience:**

29 years pharmaceutical,  
18 years recruitment

**Special Responsibilities:**

RCSA President, Chair  
Executive Committee

## Vice President



**Peter Langford**

FRCSA

**Experience:**

33 years in industry

**Special Responsibilities:**

Vice President – Continuing  
Professional Development,  
Member of Executive  
Committee, Chair of  
Remuneration Committee

## Vice President



**Sinead Hourigan**

MRCSA

**Qualifications:**

Hon Degree English;  
Diploma PR & Media  
Studies; Certificate in  
Business Administration;  
degree in European Studies

**Experience:**

16 years in recruitment  
industry

**Special Responsibilities:**

Vice President, Director  
Membership, Member of  
Executive Committee

## Finance Director



**Steve Heather**

FRCSA

**Qualifications:**

Bachelor Applied Science  
(Mining Engineer), W.A.S.M.  
First Class Mine Managers  
Certificate of Competency  
(WA law)

**Experience:**

18 years mining industry  
experience, 22 years  
recruitment industry

**Special Responsibilities:**

RCSA Finance Director,  
Member of Executive  
Committee, Chair of  
Audit & Risk Committee





**Ian McPherson**  
FRCSA

**Experience:**  
25 years in recruitment industry  
**Special Responsibilities:**  
Director, Member of Executive Committee, Member of Audit & Risk Committee



**Nina Mapson Bone**  
FRCSA

**Qualifications:**  
MA (Hons)  
**Experience:**  
17 years Recruitment, 10 years sales in UK, Europe, USA and Australia  
**Special Responsibilities:**  
Director, Member of Remuneration Committee



**Penny O'Reilly**  
MRCSA

**Qualifications:**  
Bachelor of Business  
**Experience:**  
20 years in recruitment, 26 years in leadership roles  
**Special Responsibilities:**  
Director, Member of Remuneration Committee



**Andrew Sullivan**  
FRCSA

**Qualifications:**  
Bachelor of Arts (Communications)  
**Experience:**  
14 years recruitment and executive search experience  
**Special Responsibilities:**  
Director, Member of Remuneration Committee



**Alan Bell**  
FRCSA

**Experience:**  
15 years plus in recruitment industry  
**Special Responsibilities:**  
Director representing member Groups ANRA and AMRANZ



**Matt Sampson**  
MRCSA (Appointed 24 November 2016)

**Qualifications:**  
Bachelor of Commerce  
**Experience:**  
12 years in recruitment  
**Special Responsibilities:**  
Director, appointed November 2016, Member of Audit & Risk Committee



**Nic Fairbank**  
MRCSA (Appointed 24 November 2016)

**Qualifications:**  
AMP – INSEAD France, MAICD  
**Experience:**  
20 years in recruitment industry  
**Special Responsibilities:**  
Director, appointed November 2016



**Robert Olivier**  
FRCSA [Resigned 23 May 2017]

**Qualifications:**  
Bachelor Science (Social Science)(Hon)  
**Experience:**  
21 years recruitment industry, 8 years as specialist in employment data analytics  
**Special Responsibilities:**  
RCSA Finance Director, Chair of Audit & Risk Committee, Member of Executive Committee, Resigned May 2017



**Lincoln Crawley**  
FRCSA

**Experience:**  
22 years in industry  
**Special Responsibilities:**  
Director, Resigned October 2016

# Directors' Report

Your directors present this report on the Recruitment & Consulting Services Association ("RCSA") for the year ended 30 June 2017.

## DIRECTORS

The names of each person who has been a director during or since the end of the financial year are:

R. van Stokrom FRCSA  
S. Hourigan MRCSA  
A. Sullivan FRCSA  
N. Mapson Bone FRCSA  
P. O'Reilly MRCSA  
N. Fairbank MRCSA (appointed 24 November 2016)  
L. Crawley FRCSA (resigned October 2016)  
P. Langford FRCSA  
S. Heather FRCSA  
A. Bell FRCSA  
I. McPherson FRCSA  
M. Sampson MRCSA (appointed 24 November 2016)  
R. Olivier FRCSA (Resigned 23 May 2017)

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

## PRINCIPAL ACTIVITIES

The principal activities of the entity during the financial year was to represent Members and to advance the interests of Members.

There have been no significant changes in the nature of these activities during the year.

## OPERATING RESULTS

The loss of the RCSA after providing for income tax amounted to \$394,217 (2016: loss of \$325,621).

## DIVIDENDS PAID OR RECOMMENDED

No dividends were paid during the year and no recommendation is made as to dividends, as the RCSA is not permitted to pay dividends under its Constitution.

## REVIEW OF OPERATIONS

### RCSA Member Value Proposition (Part of our Strategy):

Everything that we do is in the pursuit of delivering a world class 'Member Centric' experience. We will lead, and respond to, our members through four principal channels and, by doing so, will compel the wider industry and the next generation of professionals to fulfil our mission.

### RCSA's 4 Channels of Member Centricity

1. Promote and Protect the Industry
2. Create Pathways to Professionalism
3. Provide Business Enablement
4. Provide opportunities for Networking and Celebration

### RCSA's Strategic Priorities

1. Member Centric Strategy

*We will ensure that everything that we do is in the pursuit of delivering a world class 'Member Centric' experience.*

2. Lead with Talent

*We will attract, retain and grow top talent aligned to the purpose and values of the RCSA*

3. Streamlined for Service

*We will enhance our service delivery and member engagement through implementation of business critical processes.*

4. Member Group Optimisation

*We will review and optimise all member groups to engage, empower and harness the enthusiasm and capability of volunteers to best achieve our mission.*

5. Surplus for Purpose

*We will generate a surplus, both overall and individually within function areas. Growth and diversification of revenue across members, partners and through alternative opportunities.*

# Directors' Report

## Continued

### RCSA's Short Term Objectives

- Invest in the structural capacity of the association to fulfil the strategic priorities, primarily by upgrading, populating and maintaining our customer relationship management database;
- Continue to improve the financial management of the RCSA under the leadership of the CEO and Finance Manager;
- Refine, develop and promote a market competitive learning and development service offering;
- Establish a baseline for operating within the industry via the development of the RCSA StaffSure Workforce Services Provider Standard and associated certification program; and
- Return the RCSA to surplus following investment in restructure of the human resource and operational capability.

### RCSA's Long Term Objectives

- To lead in the world of work via the fulfilment of our mission and value proposition to members;
- To develop secure revenue lines across our 4 Channels of Member Centricity and, by doing so, becoming financially secure and reinvest in our strategy;
- Retain key staff in line with our 'leading with talent' strategic priority; and
- Become a key influencer in policy across Australia and New Zealand through our Member Group Optimisation strategic priority.

### AFTER BALANCE DATE EVENTS

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

### SIGNIFICANT CHANGES IN STATE OF AFFAIRS

During the year ended 30 June 2017 there was change to the state of affairs as follows:



# Directors' Report

## Continued

### Directors

The Directors of the Recruitment & Consulting Services Association Ltd (RCSA) receive no remuneration for holding office. All Directors are non-executive. Certain reimbursements are made to Directors to meet out of pocket expenses for attending meetings.

### INFORMATION ON DIRECTORS

Information on directors contained on pages 9-11 forms part of the Directors' Report.

### MEETING OF DIRECTORS

The number of meetings of the Directors (including Executive Committee Meetings) held during the year and the number of meetings attended by each director is as follows:

	Directors Meetings		Executive Committee Meetings		Audit & Risk Committee Meetings	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
R van Stokrom	10	10	10	10	–	–
S Hourigan	10	9	10	7	–	–
P Langford	10	10	10	9	–	–
S Heather	10	7	–	–	4	4
A Bell	10	7	–	–	–	–
I McPherson	10	9	3	2	4	4
N Mapson Bone	10	9	–	–	–	–
P O'Reilly	10	7	–	–	–	–
A Sullivan	10	9	–	–	–	–
N Fairbank	6	5	–	–	–	–
M Sampson	6	6	–	–	–	–
R Olivier	8	8	10	9	4	4
L Crawley	4	1	–	–	–	–

A Remuneration Committee was formed in November 2015, but no meetings were held during the financial year.

# Directors' Report

## Continued

Members of the Remuneration Committee are: P. Langford, P. O'Reilly, A. Sullivan, N. Mapson Bone.

### FUTURE DEVELOPMENTS

Likely developments in the operations of the RCSA and the expected results of those operations in future financial years have not been included in this report as the Directors believe that the inclusion of such information is likely to result in unreasonable prejudice to the RCSA.

### ENVIRONMENTAL

The RCSA's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### MEMBERS' GUARANTEE

The RCSA is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the RCSA is wound up, the Constitution states that each member is required to contribute a maximum of \$50 towards meeting any

outstanding obligations. At 30 June 2017 the total amount that members of the entity are liable to contribute if the entity is wound up is \$84,950 (2016: \$89,550).

### AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under s.60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is included in page 14 of this financial report and forms part of the Directors' Report.

### PROCEEDINGS ON BEHALF OF THE RECRUITMENT & CONSULTING SERVICES ASSOCIATION LTD (RCSA)

No person has applied for leave of Court to bring proceedings on behalf of the RCSA or intervene in any proceedings to which the RCSA is a party for the purpose of taking responsibility on behalf of the RCSA for all or part of those proceedings. The RCSA was not a party to any such proceedings during the year.

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



**Robert von Stokrom** FRCSA  
Director



**Peter Langford** FRCSA  
Director

Dated this 5th day of September 2017,  
Nadi, Fiji Melbourne, Australia

## Auditor's independence declaration

For the year ended 30 June 2017

### Hourigan Partners


#### Auditor's Independence Declaration

To the Directors of  
Recruitment & Consulting Services Association Limited ACN 078 606 416

In accordance with section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012, as lead auditor for the audit of Recruitment & Consulting Services Association Limited for the year ended 30 June 2017.

I declare that, to the best of my knowledge and belief, there have been:

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

  
Simon Hourigan  
Director

Melbourne  
5 September 2017

  
Hourigan Partners Audit Pty Ltd  
ACN 149 707 960

Liability limited by a scheme approved under Professional Standards Legislation

Director: Simon Hourigan CA, F Fin

Level 1, 339 Whitehorse Road Balwyn VIC 3103

# Statement of Profit or Loss and Other Comprehensive Income

For The Year Ended 30 June 2017

RECRUITMENT & CONSULTING SERVICES ASSOCIATION LIMITED

ABN 41 078 606 416

	Note	30 June 2017 \$	30 June 2016 \$
Revenue	2	3,706,347	3,785,453
Salaries and employee benefits expense		(1,690,924)	(1,391,510)
Membership services and representation expenses		(390,460)	(700,404)
Learning and development expenses		(310,059)	(206,952)
Event and functions expenses		(517,220)	(388,058)
Conference expenses		(388,961)	(410,695)
Marketing and publications expenses		(137,973)	(79,252)
Depreciation expense		(38,783)	(42,970)
Computer expenses		(99,831)	(166,410)
Office and administration expenses		(298,826)	(446,898)
Occupancy expenses		(227,527)	(277,925)
<b>Surplus / (deficit) before income tax expense</b>		<u>(394,217)</u>	<u>(325,621)</u>
Income tax expense		–	–
<b>Surplus / (deficit) for the year</b>		<u>(394,217)</u>	<u>(325,621)</u>
Other comprehensive income for the year, net of income tax		–	–
<b>Total comprehensive income (loss) for the year</b>		<u>(394,217)</u>	<u>(325,621)</u>

The accompanying notes form part of these financial statements.



# Statement of Financial Position

As at 30 June 2017

RECRUITMENT & CONSULTING SERVICES ASSOCIATION LIMITED  
ABN 41 078 606 416

	Note	30 June 2017 \$	30 June 2016 \$
<b>Current assets</b>			
Cash and cash equivalents	4	946,429	971,231
Trade and other receivables	5	129,852	333,540
Other assets	6	142,154	169,604
Financial assets	7	791,084	862,658
<b>Total current assets</b>		<u>2,009,519</u>	<u>2,337,033</u>
<b>Non-current asset</b>			
Plant and equipment	8	133,233	66,258
<b>Total non-current asset</b>		<u>133,233</u>	<u>66,258</u>
<b>Total assets</b>		<u>2,142,752</u>	<u>2,403,291</u>
<b>Current liabilities</b>			
Trade and other payables	9	362,430	282,165
Employee benefits	10	33,655	127,416
Deferred income	11	981,006	828,829
<b>Total current liabilities</b>		<u>1,377,091</u>	<u>1,238,410</u>
<b>Non-current liability</b>			
Employee benefits	10	12,008	17,021
<b>Total non-current liability</b>		<u>12,008</u>	<u>17,021</u>
<b>Total liabilities</b>		<u>1,389,099</u>	<u>1,255,431</u>
<b>Net assets</b>		<u>753,653</u>	<u>1,147,860</u>
<b>Members' Funds</b>			
Retained profits		755,166	1,149,383
Foreign currency translation reserve		(1,513)	(1,523)
<b>Total Members' Funds</b>		<u>753,653</u>	<u>1,147,860</u>

The accompanying notes form part of these financial statements.

## Statement of Changes in Members' Funds

As at 30 June 2017

RECRUITMENT & CONSULTING SERVICES ASSOCIATION LIMITED  
ABN 41 078 606 416

	Retained profits \$	Foreign currency translation reserve \$	Total Members' Funds \$
Total members funds at 1 July 2015	1,475,004	(2,253)	1,472,751
Total comprehensive loss for the year	(325,621)	–	(325,621)
Foreign currency translation	–	730	730
Total equity at 30 June 2016	1,149,383	(1,523)	1,147,860
Total members funds at 1 July 2016	1,149,383	(1,523)	1,147,860
Total comprehensive loss for the year	(394,217)	–	(394,217)
Foreign currency translation	–	10	10
Total equity at 30 June 2017	755,166	(1,513)	753,653

The accompanying notes form part of these financial statements.

# Statement of Cash Flows

For the year ended 30 June 2017

RECRUITMENT & CONSULTING SERVICES ASSOCIATION LIMITED  
ABN 41 078 606 416

	Note	30 June 2017 \$	30 June 2016 \$
<b>Cash flow from operating activities</b>			
Receipts from membership subscriptions, events and workshops		4,419,340	4,564,850
Payment to suppliers and employees		(4,437,986)	(4,577,474)
Interest, dividends and distributions received		10,440	22,958
<b>Net cash provided by (used in) operating activities</b>	17(b)	(8,206)	10,334
<b>Cash flow from investing activities</b>			
Purchase of plant and equipment		(117,039)	(4,464)
Proceeds from disposals of plant and equipment		500	–
Proceeds from disposal of financial assets		100,000	300,000
<b>Net cash used in investing activities</b>		(16,539)	295,536
<b>Net increase in cash held</b>		(24,745)	305,870
Cash and cash equivalents at beginning of the financial year		971,231	659,448
Exchange difference on cash and cash equivalents		(57)	5,913
<b>Cash and cash equivalents at the end of the financial year</b>	5,17(a)	946,429	971,231

The accompanying notes form part of these financial statements.

# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

## NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including Australian Accounting Interpretations), other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

The financial report covers the Company of the Recruitment & Consulting Services Association Limited ("RCSA"). RCSA is a company limited by guarantee, incorporated and domiciled in Australia.

The financial report has been prepared on an accruals basis and is based on historical costs modified, where applicable by the measurement of fair value of selected non current assets, financial assets and financial liabilities.

The financial report was authorised for issue by the directors on 5 September 2017.

### Summary of accounting policies

#### (a) Overall considerations

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

The consolidated financial statements have been prepared using the measurement bases specified by Australian Accounting Standards for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies below.

#### (b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the RCSA entity and its NZ branch. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. In the separate financial statements of the Company, intra-group transactions ('common control transactions') are generally accounted for by reference to the existing (consolidated) book value of the items. Where the transaction value of common control transactions differ from their consolidated book value, the difference is recognised as a contribution by or distribution to equity participants by the transacting entities.

#### (c) Revenue

Revenue comprises revenue from membership fees, education and workshop fees, sponsors and grants. Revenue from major products and services is shown in Note 2.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to RCSA and the revenue can be reliably measured.

Membership revenue is recognised upon the provision of the service to the RCSA's members. Where the period of service delivery extends beyond year end, a share of the revenue is recognised as deferred income.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Grant revenue is recognised in the statement of comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably. If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

Other revenue is recognised when the right to receive the revenue has been established.

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

#### (d) Conference revenue and expenses

Conference related revenue and expenditure is brought to account in the statement of comprehensive income in the year that the conference is held.

#### (e) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

#### (f) Plant & equipment

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

#### Plant and equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present.

# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

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

Depreciation is recognised on a straight-line basis to write-down the cost less estimated residual value of plant and other equipment.

The following useful lives are applied:

Class of fixed asset	Useful life
Furniture & fittings	3-5 years
Computer software & equipment	3 years

In the case of leasehold property, expected useful lives are determined by reference to comparable owned assets or over the term of the lease, if shorter.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income.

## (g) Leases

### Operating leases

Where the entity is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

## (h) Impairment of assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of an assets class, the entity estimates the recoverable amount of the cash-generating unit to which the class of assets belong.

Where an impairment loss on a revalued asset is identified, this is recognised against the revaluation surplus in respect of the same class of asset to the extent that the impairment

loss does not exceed the amount in the revaluation surplus for that class of asset.

## (i) Financial instruments

### Recognition and initial measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

### Derecognition

Financial assets are derecognised where the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

### Classification and subsequent measurement

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- loans and receivables
- financial assets at Fair Value Through Profit or Loss (FVTPL)
- Held-To-Maturity (HTM) investments

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs or finance income, except for impairment of trade receivables which is presented within other expenses.

### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

## **Financial assets at FVTPL**

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

## **HTM investments**

HTM investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the entity's intention to hold these investments to maturity.

HTM investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in profit or loss.

## **Financial liabilities**

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

## **Impairment**

At the end of each reporting period, the entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

## **(j) Income tax**

The RCSA had been granted "Charity" status by the Australian Taxation Office. This was granted on the basis of its status as an educational institution. This status is effective from July 1, 2005.

This status entitles the RCSA to Income Tax Exemption under Subdivision 50-B of the Income Tax Assessment Act 1997, GST Concessions under Division 176 of the New Tax System (Goods and Services Tax) Act 1999 and FBT rebate under section 123E of the Fringe Benefits Tax Assessment Act 1986.

## **(k) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

## **(l) Employee benefits**

### **Short-term employee benefits**

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

### **Other long-term employee benefits**

The Group's liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Group presents employee benefit obligations as current liabilities in the statement of financial position if the Group does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

## **(m) Goods and services tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation Office.

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

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

## **(n) Comparative figures**

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

When an entity applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period must be disclosed.

## **(o) Significant management judgement in applying accounting policies**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

## **Key estimates**

### ***Provision for impairment of receivables***

No provision for impairment of receivables recognised in the statement of financial position as at balance sheet date.

### **(p) Changes in accounting policies**

#### ***New and revised standards that are effective for annual periods beginning on or after 1 January 2016***

The accounting policies adopted are consistent with those of the previous financial year. There were no new and revised Standards and Interpretations issued and effective during the current year that had a material impact on the entity.

#### ***Accounting Standards issued but not yet effective and not adopted early by the Group***

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ending 30 June 2017, outlined in the following table:



# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

Standard / Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
<u>AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit entities</u>	1 January 2017	30 June 2018
When this Standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.		
<u>AASB 9 Financial Instruments (December 2014)</u>	1 January 2018	30 June 2019
When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.		
<u>AASB 15 Revenue from Contracts with Customers</u>	1 January 2018	30 June 2019
When this Standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.		
<u>AASB 1058 Income of Not-for-Profit entities</u>	1 January 2019	30 June 2020
The Group is yet to undertake a detailed assessment of the impact of AASB 1058. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statement when it is first adopted for the year ended 30 June 2019.		
<u>AASB 16 Leases</u>	1 January 2019	30 June 2020
The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the likely impact on the first time adoption of the Standard for the year ending 30 June 2020 includes:		
<ul style="list-style-type: none"> <li>• there will be a significant increase in lease assets and financial liabilities recognised on the balance sheet</li> <li>• the reported equity will reduce as the carrying amount of lease assets will reduce more quickly than the carrying amount of lease liabilities</li> <li>• net surplus/deficit in the statement of profit or loss and other comprehensive income will be higher as the implicit interest in lease payments for former off balance sheet leases will be presented as part of finance costs rather than being included in operating expenses</li> <li>• operating cash outflows will be lower and financing cash flows will be higher in the statement of cash flows as principal repayments on all lease liabilities will now be included in financing activities rather than operating activities. Interest can also be included within financing activities.</li> </ul>		

# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

	Note	30 June 2017 \$	30 June 2016 \$
<b>NOTE 2: REVENUE</b>			
<i>Revenue from operating activities</i>			
– membership subscriptions		1,398,372	1,481,508
– learning and development		290,747	372,991
– events and functions		546,278	365,226
– conferences		570,854	486,275
– general sponsors		751,706	895,532
– marketing and publications		23,677	6,477
– member contributions and grants for special membership projects		69,846	69,948
		<u>3,651,480</u>	<u>3,677,957</u>
<i>Revenue from non operating activities</i>			
– interest, dividends, distributions and gains on investments		44,629	79,249
– other revenue – other persons		10,238	28,247
		<u>54,867</u>	<u>107,496</u>
Total revenue		<u>3,706,347</u>	<u>3,785,453</u>
<b>NOTE 3: AUDITOR'S REMUNERATION</b>			
Remuneration of the auditors of the company for:			
– auditing or reviewing the financial report		18,540	36,000
– taxation services		–	–
		<u>18,540</u>	<u>36,000</u>
<b>NOTE 4: CASH AND CASH EQUIVALENTS</b>			
Cash on hand		469	91
Cash at bank		885,959	549,459
Cash on deposit – other		60,001	421,681
	17(a)	<u>946,429</u>	<u>971,231</u>
<b>NOTE 5: TRADE AND OTHER RECEIVABLES</b>			
<i>Current</i>			
Trade receivables		115,546	150,639
Other receivables		14,306	182,901
		<u>129,852</u>	<u>333,540</u>

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

All of the RCSA's trade and other receivables have been reviewed for indicators of impairment, and no indicators identified.

# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

	Note	30 June 2017 \$	30 June 2016 \$
<b>NOTE 6: OTHER ASSETS</b>			
<i>Current</i>			
Prepayments		142,154	169,603

## NOTE 7: FINANCIAL ASSETS

*Current*

Financial assets at fair value through profit and loss	7(a)	791,084	862,658
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(a) Financial assets at fair value through profit or loss includes managed funds which are managed by third parties on behalf of the group as well as other investors. The managed funds hold a variety of investments which generate a return based on income from those investments and changes in the market value of the investments. The group's investments in managed funds can be redeemed on an at-call basis at the market value of the investment at the date of redemption less certain fees and charges.

## NOTE 8: PLANT AND EQUIPMENT

Furniture & fittings

At cost	108,789	122,685
Accumulated depreciation	(90,907)	(92,117)
	17,882	30,568

Computer equipment & software

At cost	174,277	278,549
Accumulated depreciation	(58,926)	(242,859)
	115,351	35,690
Total plant and equipment	133,233	66,258

	Furniture & Fittings \$	Computer Equipment & Software \$	Total \$
<i>Movements in carrying amounts</i>			
Carrying amount at 1 July 2015	44,784	59,980	104,764
Additions	–	4,464	4,464
Depreciation expense	(14,216)	(28,754)	(42,970)
Carrying amount at 30 June 2016	30,568	35,690	66,258
Carrying amount at 1 July 2016	30,568	35,690	66,258
Additions	1,625	115,415	117,040
Disposals	–	(11,282)	(11,282)
Depreciation expense	(14,311)	(24,472)	(38,783)
Carrying amount at 30 June 2017	17,882	115,351	133,233

All depreciation charges (or reversals, if any) are included within 'depreciation expense'.

# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

	30 June 2017 \$	30 June 2016 \$
<b>NOTE 9: TRADE AND OTHER PAYABLES</b>		
<i>Current</i>		
Trade payables	162,617	186,931
Other payables & accruals	199,813	95,234
	<u>362,430</u>	<u>282,165</u>

All above liabilities are short-term. The carrying values are considered to be a reasonable approximation of fair value.

## NOTE 10: EMPLOYEE BENEFITS

<i>Current</i>		
Annual leave	33,655	62,615
Long service leave	–	64,801
	<u>33,655</u>	<u>127,416</u>
<i>Non-Current</i>		
Long service leave	12,008	17,021
	<u>12,008</u>	<u>17,021</u>

## NOTE 11: DEFERRED INCOME

<i>Current</i>		
Conference income received in advance	123,150	215,894
Subscriptions received in advance	487,856	491,251
Other income received in advance	370,000	121,684
	<u>981,006</u>	<u>828,829</u>

## NOTE 12: MEMBERS' GUARANTEE

The RCSA is a company limited by guarantee. If the RCSA is wound up, the Constitution states that each member is required to contribute a maximum of \$50 each towards meeting any outstanding obligations. At 30 June 2017 the number of members was 1,699.

## NOTE 13: EXPENDITURE COMMITMENTS

### Lease expenditure commitments

Operating leases (non-cancellable)

The Group's future minimum operating lease payments are as follows:

Minimum lease payments due:

– within one year	119,168	137,181
– later than one year and not later than five years	9,240	115,283
Total	<u>128,408</u>	<u>252,464</u>

Lease expense during the period amounted to \$139,101 (2016: \$226,455) representing the minimum lease payments.

The property lease commitment runs for a period of 5 years ending on 30 June 2018.

# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

30 June 2017	30 June 2016
\$	\$

## NOTE 14: CONTINGENCIES

The entity has provided an indemnity guarantee in respect of a bank guarantee in favour of the property owner on the entity's leased premises

60,000	113,000
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## NOTE 15: EVENTS SUBSEQUENT TO BALANCE DATE

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

## NOTE 16: RELATED PARTY TRANSACTIONS

### Key management personnel related entities

The Group's related parties include its key management personnel and related entities as described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

### Transactions with related parties

The following fees were charged to the entity by entities related to the directors of the Board:

Consultants fees charged from DFP Recruitment Services Pty Ltd	147,909	6,143
Consultants fees charged from Hilltop Consulting	135,300	–
Consultants fees charged from Horner Recruitment	24,469	22,526
Consultants fees charged from Kelly Services	5,000	–
Consultants fees charged from Beaumont Consulting	1,666	7,648
	314,344	28,669

### Transactions with key management personnel compensation

The key management personnel compensation included in 'salaries and employee benefits expenses' are as follows:

Short-term employee benefits	317,693	180,440
Other long term benefits	19,867	13,779
	337,560	194,219

## NOTES to and forming part of the financial statements

For the year ended 30 June 2017

	Note	30 June 2017 \$	30 June 2016 \$
<b>NOTE 17: CASH FLOW STATEMENT</b>			
<b>(a) Reconciliation of cash</b>			
Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Balance Sheet as follows:			
Cash on hand		469	91
Cash at bank		885,959	549,459
Cash on deposit		60,001	421,681
	4	<u>946,429</u>	<u>971,231</u>
<b>(b) Reconciliation of net profit after tax to net cash flows from operations</b>			
Profit after related income tax expense		(394,217)	(325,621)
<i>Non cash items:</i>			
Depreciation of non current assets		38,783	42,970
Net foreign exchange gain		67	(5,183)
Loss on disposal of assets		10,782	–
Unrealised gain on AFS assets		(5,683)	(11,342)
<i>Changes in assets and liabilities:</i>			
(Increase)/decrease in receivables		208,393	89,492
Increase/(decrease) in trade and other payables		232,444	243,837
Increase/(decrease) in provisions		(98,775)	(23,819)
Net cash flow from operations		<u>(8,206)</u>	<u>10,334</u>

## NOTE 18: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, long-term investments, accounts receivable and payables, and leases.

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

Refer to Note 19 for detailed disclosures regarding the fair value measurement of the company's financial assets and financial liabilities.

# NOTES to and forming part of the financial statements

For the year ended 30 June 2017

Note	30 June 2017	30 June 2016
	\$	\$

## NOTE 19: FAIR VALUE MEASUREMENTS

The company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets and liabilities that are measured at fair value on a non-recurring basis.

### *Recurring fair value measurements*

#### *Financial assets*

Financial assets at fair value through profit and loss:

– held for-trading managed funds	7, 19(i)	791,084	862,658
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(i) For investments in managed funds, the fair values have been determined based on closing quoted bid prices at the end of the reporting period.

## NOTE 20: CAPITAL MANAGEMENT POLICIES AND PROCEDURES

Management controls the capital of the Group to ensure that adequate cash flows are generated to fund its programs and that returns from investments are maximised. The Board and management ensure that the overall risk management strategy is in line with this objective.

The Group's capital consists of financial liabilities, supported by financial assets.

Management effectively manages the Group's capital by assessing the Group's financial risk and responding to changes in these risks and in the market. These responses may include the consideration of debt levels. There have been no changes to the strategy adopted by management to control capital of the Group since the previous year.

## NOTE 21: ORGANISATION DETAILS

The registered office and principal place of business of RCSA is:

Level 3  
63 Exhibition Street  
Melbourne  
Victoria 3000



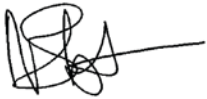
## Directors' Declaration

For the year ended 30 June 2017

The directors of Recruitment and Consulting Services Association Limited, declare that:

1. The financial statements and notes, as set out on pages 15 to 29, are in accordance with the Australian Charities and Not-for-Profit Commission Act 2012 and:
  - (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-Profits Commission Regulations 2013; and
  - (b) give a true and fair view of the financial position of the company as at 30 June 2017 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.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-Profits Commission Regulation 2013.



**Robert von Stokrom** FRCSA  
Director



**Peter Langford** FRCSA  
Director

Dated this 5th day of September 2017  
Nadi, Fiji

# Independent audit report

For the year ended 30 June 2017

## Hourigan Partners

### Independent Auditor's Report

#### To the Members

Recruitment & Consulting Services Association Limited ACN 078 606 416

#### Report on the Audit of the Financial Report

##### Opinion

We have audited the financial report of Recruitment & Consulting Services Association Limited, which comprises the statement of financial position as at 30 June 2017, the statement of profit or loss and other comprehensive income, statement of changes in member's fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Director's declaration.

In our opinion the financial report of Recruitment & Consulting Services Association Limited has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the company's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- (b) 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 company in accordance with 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.

##### Responsibilities of Directors for the Financial Report

The Directors of the company, Recruitment & Consulting Services Association Limited are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards—Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012, and for such internal control as the Directors 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, 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 Director's either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the company's financial reporting process.

##### Auditor's Responsibilities for the Audit of the Financial 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.

Director: Simon Hourigan CA, F Fin

Level 1, 339 Whitehorse Road Balfwyn VIC 3103

# Independent audit report

For the year ended 30 June 2017

## Hourigan Partners


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 Directors.
- Conclude on the appropriateness of the Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

  
Simon Hourigan  
Director

Melbourne  
5 September 2017

  
Hourigan Partners Audit Pty Ltd  
ACN 149 707 960

Liability limited by a scheme approved under Professional Standards Legislation



Recruitment & Consulting Services Association Ltd  
Australia & New Zealand

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