



Trust in, and value from, information systems

Sydney Chapter

FINANCIAL REPORT

FOR THE YEAR ENDED
31 DECEMBER 2016

ISACA Sydney Chapter
A.C.N. 002 407 276 (A company Limited by guarantee)

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Directors' Report

Principal activities of ISACA Sydney

ISACA is an international not-for-profit member based professional association.

The primary business activity of ISACA is to support the professional development of its members across 4 streams: Governance of Enterprise IT, IT assurance, IT Risk Management and Information Cyber Security.

At an international level, ISACA develops and maintains frameworks and hosts certification exams across each of the 4 streams.

At a local level, ISACA Sydney Chapter provides regular professional development sessions across the 4 streams, low cost training sessions, volunteer opportunities, and research and advocacy in whitepapers.

ISACA's vision is to enable its members and employers to achieve 'Trust in, and value from, information systems.' To achieve this, our local mission is to improve the ability of our members to implement ISACA frameworks and pass our certification exams. ISACA Sydney Chapter also focuses on providing networking opportunities for like-minded people keen to learn and grow.

Strategy setting and performance measurement

ISACA International uses a balanced scorecard to set objectives and measure performance against these objectives. Each year the local ISACA Sydney Chapter board rates itself against these objectives and sends the results to ISACA International.

Key risks to the company have been identified, reported and necessary actions taken.

The Directors table a performance report at each Board meeting and key points are highlighted for discussion. These discussions include financial reports, professional development, sponsorship and membership.

Financial

During the year the company received income from various sources including membership fees, technical seminars, review sessions, CACS profit share and advertising. Outgoings were predominantly remittances for secretarial services, audit fees and the costs associated with holding seminars, conferences, and CRISC, CISA, CISM and CGEIT review sessions.

Staffing

The company has no employees.

Directors

Your directors present their report together with the financial report of ISACA (the company) for the year ended 31 December 2016.

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

1. Mr Andrew Bornhorst (President)
2. Mr Gurvinder Pal Singh (Vice President)
3. Mr Michael Franklin (Secretary)
4. Dr Kevin Tham (Treasurer)
5. Mr Paras Shah (Immediate Past President)
6. Mr Asaf Ahmad
7. Mr Lambros Lambropoulos
8. Mr David Vohradsky
9. Ms Jax Fong (Appointed Apr 2016)
10. Mr Mike Thompson (Resigned May 2016)
11. Ms Carmen Hawkins (Resigned April 2016)
12. Ms Jennifer Foo (Resigned April 2016)

Meeting of directors

The number of directors' meetings held and number of meetings attended by each of the directors of the company during the financial year 2016 were:

Director	Meeting attended	Meetings eligible to attend
1. Mr Andrew Bornhorst	9	10
2. Mr Gurvinder Pal Singh	8	10
3. Mr Michael Franklin	8	10
4. Mr Kevin Tham	9	10
5. Mr Paras Shah	9	10
6. Mr Asaf Ahmad	9	10
7. Mr Lambros Lambropoulos	7	10
8. Mr David Vohradsky	6	10
9. Ms Carmen Hawkins	2	3
10. Mr Mike Thompson	0	4
11. Ms Jennifer Foo	1	3
12. Ms Jax Fong	7	7

Information on Directors



ANDREW BORNHORST

President

CRISC, CISA

Experience and expertise: Andrew was appointed to the board in 2012. Andrew is an Energy Markets Compliance and Operational Risk Professional at Origin Energy. He has held accounting, risk, compliance, programmer, and consulting roles for various companies in the Australia and the US.

Chapter board involvement: Andrew was elected to the Board in April 2012.



GURVINDER PAL SINGH

Vice President

CISM, CISA

Experience and expertise: Gurvinder Pal Singh has a background in information technology, architecture, risk management and audit, he is uniquely positioned to identify and apply contemporary technology solutions in support of complex business need across many industry types. Over the past twenty years he has worked with various public and private organisations including Sydney Trains, Roads and Maritime services (RMS) and IBM.

Chapter board involvement: Gurvinder was appointed to the Board in June 2014



MICHAEL FRANKLIN

Company Secretary

MSc (Information Technology), CISA

Experience and expertise: Executive Manager Technical Risk, Digital Protection Group, Commonwealth Bank of Australia. With over 15 years of IT experience in the information technology (IT) industry. He is the Technical Risk Manager for the Digital Protection Group, looking after the Operational Risk Management Framework for IT Delivery Services (ITDS). He is responsible for BAU, identification, assessment, controls assurance management and monitoring for IT technical operations under IT Delivery Service, Enterprise Services.

Chapter board involvement: Michael was appointed to the Board in January 2014.



KEVIN THAM

Treasurer

PhD, CISM

Experience and expertise: Kevin has over 19 years' experience in the Information Security Industry with almost 10 years in the Financial Services Industry.

Kevin currently works in Tyro Payments as their Information Security Manager, responsible for a wide range of information security activities from the development of their information security management framework, to improving the rollout of automated security controls.

Chapter board involvement: Kevin was appointed to the Board in April 2015.



PARAS SHAH

Immediate Past President

CGEIT, CRISC, CISA, CA

Experience and expertise: Paras is Founder and Principal Consultant at Vital Interacts; and specialises in IT governance, risk management, assurance and information security. Paras has offered consulting and advisory services to a wide ranging commercial, public sector, educational and not-for-profit organisations to solve business and technology problems. He has served as a member of ISACA's Framework Committee from 2012 to 2015, and as the ISACA Sydney Chapter President from 2014 to 2016.

Chapter board involvement: Paras was appointed to the Board in April 2013.



LAMBROS LAMBROPOULOS

Director, Academic Relations

CISA

Experience and expertise: Lambros has over 20 years external and internal (risk) audit experience. He is currently working as a Consultant with BDO specialising, in IT Risk and Governance, Outsourcing /shared services and audit support. Prior to his currently position, Lambros was an IS Audit Leader with The Audit Office of NSW. He was responsible for auditing the state's most complex computer processing environments.

Chapter board involvement: Lambros was appointed to the Board in September 2012.



DAVID VOHRADSKY

Director

B.Math, MBA, PCI-QSA, CISM, CRISC, CGEIT

Experience and expertise: David is an independent IT governance, risk and security consultant with Cyberrisk Australia and various audit, assurance and security companies across Australia. He has previously held senior-level management and consulting positions with Protiviti, Commonwealth Bank of Australia, NSW State Government, Macquarie Bank, and Tata Consultancy Services. Prior to 2017, David also held a number of ISACA International Association Committee roles.

Chapter board involvement: David was first elected to the Board in April 2015.



JAX FONG

Director

CISA

Experience and expertise: Jax was appointed to the board in 2016. Jax is an Enterprise Risk Management, IT Risk Management, security advisory and IT Compliance Professional at Brookfield Global Integration Solutions. She has held internal audit, external audit, consulting and advisory roles for various companies in the Malaysia, Singapore and Australia for both in the public and private sectors.

Chapter board involvement: Jax was elected to the Board in April 2016.

Results and Dividends

The operating deficit for the year was \$14,943 (2015: Surplus \$31,328).

The company is not permitted under its Memorandum and Articles of Association to pay dividends. Therefore the directors do not recommend payment of any dividend.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Company during the period.

Significant events after the reporting 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 company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Likely developments and expected results

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

Environmental regulation and performance

The Company is not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Member Contribution

For each class of membership in the company, the amount which a member of that class is liable to contribute if the company is wound up, and the total amount that the members of the company are liable to contribute if the company is wound up is as follows:

Class of membership	Contribution per member in the event of winding up
Member	\$ 50

On behalf of the directors



Andrew Bornhorst
President

Dated: 5th April 2017

Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 To THE DIRECTORS OF: ISACA

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the Audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit

Dawsons Accountants Pty Ltd
Hamish Dawson, Registered Company Auditor
PO Box 405, Baulkham Hills 1755 NSW



Statement of Profit / Loss and other Comprehensive Income
for the year ended 31 December 2016

	Notes	<u>2015 \$</u>	<u>2016 \$</u>
Revenue	2	98,684	107,793
Cost of sales	3	(11,396)	(72,392)
Gross profit		87,289	35,401
Administration expenses	4	(55,960)	(50,344)
Operating profit before income tax		31,328	(14,943)
Income tax (credit) attributable to operating profit (loss)		Nil	Nil
Operating profit after income tax		31,328	(14,943)
Retained profits at the beginning of the financial year		105,288	136,616
Total available for appropriation		136,616	121,673
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		136,616	121,673
Other comprehensive income		Nil	Nil
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		136,616	121,673

Statement of Financial Position as at 31 December 2016

	Notes	2015 \$	2016 \$
ASSETS			
Current Assets			
Cash assets	5	163,554	141,556
Membership dues receivable		1,094	1,434
Other current assets	6	1,109	5,437
Total Current Assets		165,757	148,427
Non-Current Assets			
Property, plant and equipment			
Total Non-Current Assets		Nil	Nil
TOTAL ASSETS		164,167	148,427
LIABILITIES			
Current Liabilities			
Membership dues prepayment		12,797	11,300
Other current liabilities	7	16,344	15,454
Total Current Liabilities		29,141	26,754
TOTAL LIABILITIES		29,141	26,754
NET ASSETS		136,616	121,673
EQUITY			
Retained profits		136,616	121,673
TOTAL EQUITY		136,616	121,673

Statement of Changes in Equity

	Notes	Retained Surpluses \$	Total Equity \$
Balance at 01/01/2015		105,288	105,288
Profit attributable to the members 2015		31,328	31,328
Subtotal		136,616	136,616
Balance at 31/12/2015		136,616	136,616
Profit attributable to the members 2016		(14,943)	(14,943)
Subtotal		(14,943)	(14,943)
Balance at 31/12/2016		121,673	121,673

Statement of Cash Flows for the Year Ended 31 December 2016

Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

	<u>2015 \$</u>	<u>2016 \$</u>
Operating profit (loss) after tax	31,328	(14,943)
Depreciation	Nil	Nil
(Increase) decrease in membership dues receivable	(182)	(340)
(Increase) decrease in other current assets	52,685	(4,328)
Increase (decrease) in membership dues prepayments	(1,173)	(1,497)
Increase (decrease) in other current liabilities	5,067	(890)
Net cash provided by (used in) operating activities	87,725	(21,998)
Cash at the Beginning of the period	75,829	163,554
Cash at the End of the period	163,554	141,556

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2016

NOTE-1: CORPORATE INFORMATION

The financial report covers ISACA (the Company) as an individual entity. The financial report is presented in Australian dollars, which is the Company's functional and presentational currency.

The financial report consists of the financial statements, notes to the financial statements and the directors' declaration.

ISACA is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business are:

19 Tooth Ave, Newington NSW 2127

The financial report was authorised for issue, in accordance with a resolution of the directors on 5th April 2017. The directors have the power to amend and reissue the financial report.

A description of the nature of the company's operations and principal activities are included in the directors' report.

Members guarantee

The Sydney Chapter of the ISACA (the Company) is a company limited by guarantee with each member liable to a maximum of \$50 in the event that the Company is wound up and the assets are exceeded by liabilities. Members of the Company are members of the ISACA Inc, an international body with its headquarters in the USA.

1a. Summary of Significant Accounting Policies

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

Basis of Preparation

The financial statements are prepared on the accruals basis.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

In preparing the financial report the company has taken the exemptions available to not for profit entities.

Compliance with Australian Accounting Standards – Reduced Disclosure Requirements

The financial statements of the ISACA comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

Historical Cost Convention

The financial statements have been prepared under the historical cost convention.

Sales Revenue

The company accounts for member's subscription on an accrual basis. Function income and sponsorship are recognised in the year in which it relates. Interest income is recognised as it accrues, using the effective rate method.

Expenditure Carried Forward

Significant items of expenditure having a benefit or relationship to more than one period are written off over the periods to which such expenditure relates.

Income Tax

The Company is subject to the Income Tax Assessment Act, 1997 (amended) which provides that under the concept of mutuality under which the entity is, it is only liable for income tax on income derived from non-members and from outside entities.

The charge for current income tax expense is based on the surplus for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the Statement of Comprehensive Income except where it relates to items that may be credited directly to equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the association will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Translation of Foreign Currency Transactions

Transactions in foreign currencies of the Company are converted to local currency at the rate of exchange ruling at the date of the transaction. Amounts payable to and by the Company that are outstanding at the balance date and are denominated in foreign currencies have been converted to local currency using estimation at the end of the financial year. All resulting exchange differences arising on settlement or re-statement are brought to account in determining the surplus or deficit for the financial year.

Cash and Cash Equivalents

Cash and Cash Equivalents include cash on hand and at bank.

Impairment of Assets

At each reporting date, the entity reviews the carrying values of its 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 expensed to the Statement of Comprehensive Income.

Where the future economic benefits of the asset are not primarily dependent upon the assets 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 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.

Trade and Other Receivables

Trade and other receivables represent the principal amounts due at the reporting date.

Financial Assets

The company classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

Loans and receivables

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

effective interest method less any impairment. They arise when the company provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

The depreciable amount of all fixed assets is depreciated using the diminishing value methods to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Computer equipment	3 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Comprehensive Income.

Trade and Other Payables

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

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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as a current asset or liability in the Statement of Financial Position. Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financial activities, which are disclosed as operating cash flows.

Comparative figures

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

Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial report 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 by both externally and within the company.

CACS Conference Share of Profit

Each year a different Oceania Chapter hosts a conference usually in September/October named Oceania CACS. Once the profit generated from the conference has been determined, it is split between the Oceania Region of Australia, NZ and PNG. 50% goes to the host chapter and the remaining 50% is distributed between the Oceania Region. Losses are absorbed by the host. CACS conference share of profit is recognised when it is received or when the right to receive payment is established.

New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

The company has early adopted AASB 1053 'Application of Tiers of Australian Accounting Standards,' AASB 2010-02 'Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements' and later amending Standards, as relevant. No other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have been early adopted.

Any significant impact on the accounting policies of the company from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

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

AASB 1053 Application of Tiers of Australian Accounting Standards

The company has early adopted AASB 1053 from 1 January 2010. This standard establishes a differential financial reporting framework consisting of two Tiers of reporting requirements for preparing general purpose financial statements, being Tier 1 Australian Accounting Standards and Tier 2 Australian Accounting Standards - Reduced Disclosure Requirements. The company being classed as Tier 2 continues to apply the full recognition and measurements requirements of Australian Accounting Standards with substantially reduced disclosure in accordance with AASB 2010-2 and later amending Standards, as relevant.

AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements

The company has early adopted AASB 2010-2 from 1 January 2010. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities in preparing general purpose financial statements. The adoption of these amendments has significantly reduced the company's disclosure requirements.

AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project - Reduced Disclosure Requirements

AASB 2012-7 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements and

AASB 2012-11 Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments

The company has early adopted AASB 2011-2, AASB 2012-7 and 2012-11 amendments from 1 January 2010, to the extent that they related to other standards already adopted by the company. These amendments make numerous modifications to a range of Australian Accounting Standards and Interpretations to significantly reduce the company's disclosure requirements.

AASB 2011-9 Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income

The company has applied AASB 2011-9 amendments from 1 January 2013. The amendments requires grouping together of items within other comprehensive income on the basis of whether they will eventually be 'recycled' to the profit or loss (reclassification adjustments). The change provides clarity about the nature of items presented as other comprehensive income and the related tax presentation. The amendments also introduced the term 'Statement of profit or loss and other comprehensive income' clarifying that there are two discrete sections, the profit or loss section (or separate statement of profit or loss) and other comprehensive income section.

NOTE 2: REVENUE AND OTHER INCOME	2015 \$	2016 \$
Interest revenue	2,885	3,383
Membership Subscriptions	58,832	59,763
Education (Workshops / Technical sessions)	950	127
40th Anniversary Sessions	-	19,724
Certification review sessions	23,005	17,250
Sponsorship (40th Anniversary Sessions)	1,250	7,546
Other income (include CACS profit share)	11,762	Nil
Total Revenue from Operating Activities	98,684	107,793

NOTE 3: COST OF SALES	2015 \$	2016 \$
Professional Development and Technical Session	523	2,654
Certification Review Sessions	10,873	8,743
40 th Anniversary Sessions	-	60,995
Total Cost of Sales	11,396	72,392

NOTE 4: ADMINISTRATION EXPENSES	2015 \$	2016 \$
Administration Management	39,952	36,353
Audit Fees	3,000	3,000
Tax consulting	-	1,050
Assets under \$1,000	684	-
Bank Fees	896	584
Board Expenses	1,836	1,309
Insurance	2,969	2,997
Marketing	228	876
President Council Meeting	1,220	(97)
Stationery & Printing	919	977
Other administration expenses	4,256	3,295
Total Administration Expenses	55,960	50,344

NOTE 5: CASH ASSETS	2015 \$	2016 \$
- Cash At Bank	163,554	141,556
	163,554	141,556

Reconciliation of Cash:

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

- Cash assets	163,554	141,556
	163,554	141,556

NOTE 6: OTHER CURRENT ASSETS	2015 \$	2016 \$
Receivable from Oceania CACS 2015	Nil	Nil
GST refund due	1,109	5,437
Total Other Current Assets	1,109	5,437

NOTE 7: OTHER CURRENT LIABILITIES	2015 \$	2016 \$
Payable on behalf of Oceania CACS 2015	4,310	8,057
Sundry creditors	12,034	7,397
Total Other Current Assets	16,344	15,454

NOTE 8: Auditors' Remuneration	2015 \$	2016 \$
Remuneration of the auditor of the company for: Auditing or reviewing the financial report	3,000	3,000

Note 9: Events Subsequent to Reporting Date

Since the end of the financial year there have been no material subsequent events.

Directors' Declaration

The directors of the company declare that:

1. the financial statements and notes are in accordance with the Corporations Act 2001 and:
 - a. comply with Accounting Standards and the Corporations Regulations; and
 - b. give a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the year ended on that date;
2. in the director's 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 director.

Andrew Bornhorst II

Andrew Bornhorst
President

Dated: 5th April 2017

Independent Audit Report

Report on the Financial Report

We have audited the accompanying financial report of ISACA (the company), which comprises the Director's Declaration, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, Statement of Cash Flows, Statement of Changes In Equity, a summary of significant accounting policies and other explanatory notes for the financial year ended 31 December 2016.

Director's Responsibility for the Financial Report

The director of the company is responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the director determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the director also states, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

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

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

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the director of ISACA on 31 December 2016 would be in the same terms if provided to the director as at the time of this auditor's report.

Opinion

In our opinion:

1. the financial report of ISACA is in accordance with the Corporations Act 2001, including:
 - a. giving a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the year ended on that date; and
 - b. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001;
2. The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Signed on: 12TH MAY, 2017



Hamish Dawson, Registered Company Auditor
Dawsons Accountants Pty Ltd
PO Box 405, Baulkham Hills 1755 NSW