

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 30th June 2011.

Principal Activities and Significant Changes in Nature of Activities

The principal activities of the company during the financial year were to promote and encourage the interest and practice of environmental health, to disseminate knowledge regarding environmental health and to uphold the status and protect the interest of those persons entitled under law to occupy the position of environmental health officer.

The company was restructured as at 31st March 2010 whereby the branch offices now operate autonomously as incorporated associations. The role of the company then changed to that of a National Office, operating within the guidelines of service agreements with the individual State entities. Consequently, assets and liabilities of the company have been rolled into the new entities. The levels of income and expenditure in this and future years will be impacted greatly by this decision which is expected to improve the company's overall profitability.

There were no other significant changes in the nature of the company's principal activities during the financial year.

Operating Results and Review of Operations for the Year

	2011	2010
Operating revenue	\$183,649	\$699,494
Surplus/(Loss) for the year	\$(13,314)	\$57,329

Dividends

No dividends have been paid or declared since the commencement of the financial period and the directors do not recommend the payment of a dividend in respect of the year ended 30th June 2011.

After Balance Day Events

No matters or circumstances have arisen since the end of the financial year which significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years other than those reported in this report.

Future Developments

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, other than the matters reported in After Balance Day Events.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998
DIRECTORS' REPORT

Directors

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

Thomas Tenkate - Director
Joseph Zappavigna - Director
Grant Steen - Director and Company Secretary
Shannon McKiernan - Director
Greg Whiteley - Director, appointed 29/9/2010
Mark Dwyer - Director, appointed 29/9/2010

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

Meetings of Directors

During the financial year, nine (9) meetings of directors were held. Attendances by each director during the year were as follows:

	Number Eligible to Attend	Number Attended
Thomas Tenkate	9	9
Grant Steen	9	8
Greg Whiteley	7	6
Mark Dwyer	7	7
Joseph Zappavigna	9	7
Shannon McKiernan	9	5

As the company is limited by guarantee, no shares are issued and hence none are held by directors.

Indemnifying Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of the company.

**ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998**

DIRECTORS' REPORT

Directors' Benefit

During or since the financial year, other than as annual honorariums as disclosed in the Income Statement, no director of the company has received or become entitled to receive a benefit because of a contract that the director or a firm of which the director is a member or an entity in which the director has a substantial financial interest made with the company or an entity that the company controlled, or a body corporate that was related to the company, when the contract was made or when the director received, or became entitled to receive, the benefit.

Auditor's Independence Declaration

The auditor's independence declaration for the year ended 30th June 2011 has been received and can be found on the page following the Directors' Report.

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

Director

Dated this day of 2011

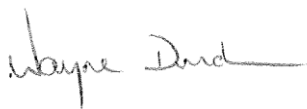
**ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ENVIRONMENTAL HEALTH AUSTRALIA LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30th June 2011 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.

E. F. McPHAIL AND PARTNERS



.....
Partner: Wayne C. Durdin

Dated 16th November 2011

38 Ellingworth Parade, Box Hill, Victoria, 3128

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

DIRECTORS' DECLARATION

The directors of the company declare that –

1. the financial statements and notes, as set out in this report, are in accordance with the Corporations Act 2001 and
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position as at 30th June 2011 and of the performance for the year ended on that date of the company; and
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

Director:

Dated this day of 2011.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

INCOME STATEMENT FOR THE YEAR ENDED 30TH JUNE 2011

	Note	2011 \$	2010 \$
Revenue	2	203,340	946,558
Staffing costs		-	(273,327)
Occupancy costs		(4,505)	(19,420)
Administrative costs		(86,388)	(273,983)
Conferences, seminars and workshop costs		(291)	(195,631)
Cost of goods sold	3(a)	-	(64,513)
Depreciation and amortisation		(1,607)	(2,355)
		<hr/>	<hr/>
Profit before income tax		110,549	117,329
Income tax expense		-	-
		<hr/>	<hr/>
		110,549	117,329
Seed funding paid to associates		(100,392)	(60,000)
Stock donated to associates		(23,471)	-
		<hr/>	<hr/>
Profit/(Loss) for the Year		<u>\$ (13,314)</u>	<u>\$ 57,329</u>

The accompanying notes form part of these financial statements.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2011

	Note	2011 \$	2010 \$
CURRENT ASSETS			
Cash and cash equivalents	5	183,289	182,746
Trade & other receivables	6	112,775	9,444
Inventories	7	-	23,471
TOTAL CURRENT ASSETS		296,064	215,661
NON-CURRENT ASSETS			
Property, plant and equipment	8	-	732
TOTAL NON-CURRENT ASSETS		-	732
TOTAL ASSETS		296,064	216,393
CURRENT LIABILITIES			
Trade & other payables	9	24,881	11,896
Unearned revenue		80,000	-
TOTAL CURRENT LIABILITIES		104,881	11,896
NON-CURRENT LIABILITIES			
Long-term provisions	10	-	-
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		104,881	11,896
NET ASSETS		\$191,183	\$204,497
EQUITY			
Retained earnings		191,183	204,497
TOTAL EQUITY		\$191,183	\$204,497

The accompanying notes form part of these financial statements.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2011

	Retained Earnings	Asset Revaluation Reserve	Financial Asset Revaluation Reserve	Total
Balance at 1st July 2009	\$147,168	\$40,000	\$(3,426)	\$183,742
Profit attributable to members	57,329	-	-	57,329
Revaluation increment	-	(40,000)	3,426	(36,574)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30th June 2010	204,497	-	-	204,497
	<hr/>	<hr/>	<hr/>	<hr/>
Profit/(Loss) attributable to members	(13,314)	-	-	(13,314)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30th June 2011	\$191,183	-	-	\$191,183
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2011

	Note	2011 \$	2010 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members and others		180,009	825,298
Interest received		4,479	4,494
Payments to suppliers and employees		(183,070)	(1,234,959)
Net cash provided by/(used in) operating activities	14	1,418	(405,167)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of plant & equipment		(875)	(2,067)
Sale of property		-	242,336
Net cash provided by/(used in) investing activities		(875)	240,269
Net increase/(decrease) in cash held		543	(164,898)
Cash at beginning of year		182,746	347,644
Cash at end of year	5	\$183,289	\$182,746

The accompanying notes form part of these financial statements.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

These financial statements cover Environmental Health Australia Limited as an individual entity, incorporated and domiciled in Australia. Environmental Health Australia Limited is a company limited by guarantee.

1. Summary of significant accounting policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

(a) Income Tax

The company is not liable for taxation on items of member income and expenditure which are not subject to tax consistent with the doctrine of mutuality.

The company adopts the liability method of tax-effect accounting whereby the income tax expense shown in the statement of financial performance is based on the operating surplus before income tax is adjusted for any permanent differences. The adoption of this policy normally results in the existence of a deferred income tax liability or a future income tax benefit.

In addition, future income tax benefits relating to timing differences have not been included in the financial report because realisation of those benefits is not virtually certain. The value of future income tax benefits not brought to account relating to timing differences has not been quantified as the value of the future benefit is dependent upon the proportion of future non-member activities undertaken by the company.

(b) Property, Plant and Equipment

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

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

The assets carrying amount is written down immediately to its recoverable amount, if the assets carrying amount is greater than its recoverable amount.

Depreciation

The depreciable amount of all fixed assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset	Depreciation Rate	Depreciation Method
Office Equipment	11% to 100%	Diminishing & Straight Line

(c) Cash & Cash Equivalents

Cash and cash equivalents include cash on hand and at call deposits with banks or financial institutions, and other short-term highly liquid investments with original maturities of three months or less.

(d) Revenue and Other Income

Revenue from membership fees is based upon the service agreement and is recognised progressively over the period to which the membership relates. Membership fees are levied on a quarterly basis.

Grant income is brought to account as income in the year in which the grant is received or receivable to the extent of the expenditure which occurred during the year towards the purpose of the grant. Unexpended grant monies for grant income received or receivable during the year, including interest thereon where required under terms of the grant, are carried forward as unexpended grants (unearned revenue liability).

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

(e) 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 the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

(f) Trade and Other Payables

Trade and Other Payables represents the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amount being normally paid within the trading terms.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

(g) Impairment of Assets

At each reporting date, the company 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 expensed to the income statement.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(h) Comparative Figures

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

(i) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(j) Critical Accounting Estimates & Judgments

The directors evaluate estimates and judgments 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 both externally and within the company.

Key estimates – Impairment

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

(k) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended standards and interpretations that have mandatory application dates for future reporting periods. The company has decided against early adoption of these standards which are likely to have minimal impact on the company.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

	2011	2010
	\$	\$
2. REVENUE AND OTHER INCOME		
<i>Operating Activities:</i>		
Sales revenue	-	117,114
Annual subscriptions and fees	-	237,563
Conferences and seminars	-	344,817
State levies - conferences and workshops	97,998	-
State levies - membership	85,651	-
	183,649	699,494
<i>Non-Operating Activities:</i>		
Interest received	4,479	4,494
Rent Received	(1,799)	18,052
Other	17,011	17,182
Gain on Disposal of Property	-	207,336
	19,691	247,064
TOTAL REVENUE	\$203,340	\$946,558
 3. PROFIT FOR THE YEAR		
<i>(a) Expenses</i>		
Cost of Sales	-	64,513
Stock donated to States	23,471	-
Doubtful debts expense	(3,859)	-
 <i>(b) Significant revenues and expenses</i>		
The following significant revenue and expense items are relevant in explaining the financial performance:		
Conference and seminar activities:		
- revenue	-	344,817
- expenditure	-	(195,631)
Contribution to operating profit	-	\$149,186

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

	2011 \$	2010 \$
4. AUDITOR'S REMUNERATION		
Remuneration of the auditor for:		
- Auditing or reviewing the financial report	8,365	10,400
- Acquittals and workers' compensation	-	680
- Preparation of annual financial report	2,000	2,000
- Taxation services	900	800
- Consulting	-	1,940
	<hr/>	<hr/>
	\$11,265	\$15,820
	<hr/> <hr/>	<hr/> <hr/>
5. CASH & CASH EQUIVALENTS		
Cash at bank and in hand	183,289	9,640
Short term bank deposits	-	173,106
	<hr/>	<hr/>
	\$183,289	\$182,746
	<hr/> <hr/>	<hr/> <hr/>
6. TRADE & OTHER RECEIVABLES		
CURRENT		
Trade receivables	112,775	13,303
Provision for impairment of receivables	-	(3,859)
	<hr/>	<hr/>
	\$112,775	\$9,444
	<hr/> <hr/>	<hr/> <hr/>
7. INVENTORIES		
CURRENT		
At Cost		
Merchandise held for resale	-	\$23,471
	<hr/> <hr/>	<hr/> <hr/>

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

	2011	2010
	\$	\$
8. PROPERTY, PLANT AND EQUIPMENT		
Plant & equipment – at cost	15,342	14,467
Less: Accumulated depreciation	(15,342)	(13,735)
	-	732
Total property, plant and equipment	-	\$732

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	2011	2011
	Plant & Equipment	Total
Balance at beginning of year	\$732	\$732
Additions	875	875
Disposals/write-offs	-	-
Depreciation expense	(1,607)	(1,607)
	-	-
Carrying amount at the end of the year	-	-

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

	2011	2010
	\$	\$
9. TRADE & OTHER PAYABLES		
CURRENT		
<i>Unsecured Liabilities:</i>		
Trade payables	16,396	11,531
Sundry payables & accrued expenses	8,485	365
Employee benefits	-	-
	\$24,881	\$11,896
	\$24,881	\$11,896
 10. PROVISIONS		
		Long-Term
		Employee Benefits
Opening balance at 1st July 2010	-	53,327
Additional provisions raised during the year	-	-
Amounts used	-	(53,327)
	-	-
Balance at 30th June 2011	-	-
	-	-
Analysis of total provisions:		
Current	-	-
Non-current	-	-
	-	-
Total Provisions	-	-

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

11. COMPANY DETAILS

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

Local Government House
Level 1, 25 Evelyn Street
Newstead Brisbane QLD 4006

Members' guarantee

The company is limited by guarantee. Every member undertakes to contribute to the assets of the company in the event of it being wound up while a member or within one year after ceasing to be a member, for payments of the debts and liabilities of the company and of the costs, charges and expenses of winding up and for adjustment of the rights of contributories among themselves, such amount as may be required, not exceeding \$2.10.

12 SEGMENT REPORTING

The company operates predominately in one business where it promotes and encourages the interest and practice of environmental health.

	2011	2010
	\$	\$
13. KEY MANAGEMENT PERSONNEL COMPENSATION		
Total compensation to directors	-	10,000
	<u> </u>	<u> </u>

14. CASH FLOW INFORMATION

Reconciliation of cash flow from operations with profit after income tax

Profit/(Loss) after income tax	(13,314)	57,329
Non-cash flows in profit:		
- Depreciation/asset write-offs	1,607	2,355
- Assets gifted on restructure	-	5,910
- Diminution of investments	-	3,426
- Profit on sale of assets (net of revaluation)	-	(207,336)
- Doubtful debts expense	(3,859)	-
Changes in assets and liabilities:		
- Trade & other receivables current	(99,472)	90,570
- Inventories	23,471	779
- Other current assets	-	10,059
- Financial assets	-	12,623
- Payables	12,985	(118,917)
- Employee entitlements	-	(81,485)
- Unearned revenue	80,000	(180,480)
	<u> </u>	<u> </u>
	\$1,418	\$(405,167)
	<u> </u>	<u> </u>

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011

		2011 \$	2010 \$
15. FINANCIAL INSTRUMENTS			
<i>(a) Financial risk management</i>			
The company's financial assets consist of deposits with banks and accounts receivable and payable. The main risk the company is exposed to through its financial instruments is interest rate risk.			
 <i>(b) Interest rate risk</i>			
The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on the financial assets and financial liabilities, is as follows:			
	Weighted Average Effective Interest Rate		
	2011	2010	
	%	%	
<i>Financial assets:</i>			
- Variable rate cash deposits	2.60	4.62	183,289
- Fixed rate deposits maturing within one year	n/a	n/a	-
- Trade & other receivables (non-interest bearing)	n/a	n/a	112,775
			181,546
<i>Total financial assets:</i>			\$296,064
 <i>Financial liabilities:</i>			
- Trade & other payables (non-interest bearing)	n/a	n/a	24,881
			11,896
<i>Total financial liabilities</i>			\$24,881

(c) Net fair values

The net fair value of financial assets and liabilities shown in the statement of financial position and the notes thereto have been valued at market value as at balance date.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ENVIRONMENTAL HEALTH AUSTRALIA LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Environmental Health Australia Limited, which comprises the statement of financial position as at 30th June 2011, the income statement, the statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial 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 judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Environmental Health Australia Limited would be in the same terms if given to the directors as at the time of this auditor's report.

ENVIRONMENTAL HEALTH AUSTRALIA LIMITED
ABN 58 000 031 998

INDEPENDENT AUDIT REPORT

Opinion

In our opinion, the financial report of Environmental Health Australia Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 30th June 2011 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.



Name of Firm: E. F. McPhail and Partners

Name of Partner: Wayne C. Durdin

Address: 38 Ellingworth Parade, Box Hill, Victoria, 3128

Dated this 16th day of November 2011