



Facility Management Association of Australia Limited
ABN: 57 003 551 844

FINANCIAL REPORT
For The Year Ended 30 June 2008

FACILITY MANAGEMENT ASSOCIATION OF AUSTRALIA LIMITED

ABN 57 003 551 844

Directors' Report

The Board of Directors of the Facility Management Association of Australia Ltd (FMA Australia) has pleasure in submitting the financial report of the company for the year ended 30 June 2008.

1. Results

The operating surplus for the year ended 30 June 2008 was \$64,384 (2007: \$126,121) after deducting income tax expenses of \$nil (2007: \$nil).

2. Dividends

As the company is limited by guarantee, and has no shareholders, no dividend has been declared or paid during the period.

3. Principal activities and review of operations

The principal activities of the company for the financial year were to lead the facility management industry and support its members and others in the practice of facility management (FM). These activities incorporated the annual conference, including an exhibition held in conjunction with the conference, professional development, including seminars and workshops, Branch activities and other events, as well as published research papers both in hardcopy and online. The monthly electronic newsletter along with a quarterly magazine, Facility Perspectives, provided comprehensive communication to members about FMA Australia's activities and industry issues, and assisted revenue generation. The company's website incorporated a new recruitment and selection section which in turn provided opportunities for the placement of tower and/ or banner advertisements and created a further source of revenue.

FMA Australia maintained its cooperative and collaborative relationship with the Australian Government and the Facilities Management Action Agenda Implementation Board. Numerous submissions were made to the Government on behalf of the FM industry and administrative and financial support was provided to the FM Action Agenda which concluded its three year term on 30 June 2008. The legacy of the FM Action Agenda and its unfinished activities will be handed over to FMA Australia for prioritisation.

Under the leadership of the CEO, the National Office staff provided administrative support to the Board of Directors, monthly teleconference meetings of the Branch Chairs and the national committees which advise the Board and management in the areas of: Membership, Conference, Education and Training (including the Accreditation Sub-committee), Communication and Innovation and Best Practice.

The national conference, ideaction '08, held on the Gold Coast was once again successful but did not attract as many exhibitors as in previous years. The full conference program and theme (Enabling Sustainable Communities) was very well received and offered a significant return.

All Branch events were supported by the national office team which complemented the preparation and distribution of marketing materials along with processing of revenue and expenditure associated with these events.

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FMA Australia continued to enjoy a mutually beneficial relationship with allied organisations in the Global Facility Management Association (Global FM) community, particularly in the UK (BIFM), USA (IFMA) and France (ARSEG), and is actively pursuing further opportunities for collaboration to build on the successful Partners in Excellence program involving FMA Australia, BIFM and IFMA.

FMA Australia maintains a strategic partnership with the Tertiary Education Facilities Management Association (TEFMA) which was established in June 2007. The principal aim of the partnership is to collaborate to improve the performance of the facilities management industry.

The Association continues its' membership of both the Australian Construction Industry Forum (ACIF) and the Australian Sustainable Built Environment Council (ASBEC) and the Property Law Reform Alliance.

4. Likely developments and future results

In the 2008/ 09 year we expect no significant variation to the current operations. FMA Australia will continue to provide a wide range of services to members through the annual conference, professional development training seminars, branch networking events, the accreditation program and regular communication mediums such as the website, electronic newsletter and magazine.

The 2009 conference will be held in Melbourne and is expected to be well attended.

FMA Australia is also endeavouring to maximise revenue to the organisation from interest earnings, through keeping a minimum operating account and increasing funds in the investment account established for this purpose.

5. Significant Changes

There were no significant changes in the state of affairs of the Company during the year.

6. Events Subsequent to the end of the financial year

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 future financial years.

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Directors' Report

7. Directors

The names and details of the directors in office at any time during or since the end of the year are as follows:

Name	Qualifications, Experience and Special Responsibilities
Mr Andrew McEwan, Chairman of the Board and Director and Chairman Conference.	<p>Director - Planning, Urban Land Development Authority in Queensland. Previously Director, Smart Planning Solutions and Strategic projects with the Department of Infrastructure and Planning.</p> <p>Bachelor of Business (Government) (Professional Accounting) and is about to complete a Masters degree in Facilities Management.</p> <p>Ongoing lecturing role in facilities management with the Hong Kong Polytechnic University in Kowloon.</p> <p>Previous management roles have been in urban planning, facility and asset management policy and operations in the Departments of Treasury, Health and Public Works and Project Leader for the whole-of-government review of asset management.</p> <p>Director of Global FM Association (based in Brussels).</p> <p>Director FMA Australia since 11 January 2006.</p>
Mr George Spink, Vice Chairman	<p>Executive General Manager, Facilities Management Group within Transfield Services Limited.</p> <p>Masters in Design Science - majoring in Facilities Management with Honours, Bachelor of Arts in Architecture, a Graduate Diploma in Applied Finance and Investment.</p> <p>Over 10 years experience in the facilities management industry across a number of industry sectors including defence, telecommunications, local, state and federal government.</p> <p>Director of Five D Holdings Pty Ltd.</p> <p>Director FMA Australia from 14 November 2005 until his resignation on 25 June 2008.</p>

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Directors' Report

Name	Qualifications, Experience and Special Responsibilities
Mr Steve Taylor, Director Finance & Communications	<p>Chief Executive Officer, Tungsten Group.</p> <p>Over 25 years experience in facilities management across strategic business consulting and operations management throughout Australia and the UK.</p> <p>Bachelor of Engineering and a member of the Australian Institute of Company Directors, the British Institute of Facilities Management and CoreNet.</p> <p>Director of MLC 190 Pty Ltd and Jesand Pty Ltd.</p> <p>Director FMA Australia since 20 November 2006.</p>
Mr Stephen Ballesty, Immediate Past Chairman and Director, Deputy Chairman FM Action Agenda and IFMA Foundation Trustee	<p>Managing Director Advisory of Rider Levett Bucknall.</p> <p>Bachelor of Applied Science (Hons) from NSWIT (UTS) and an MBA from APESMA Deakin University. A Fellow of the AIQS and an Associate of the RICS. Over 25 years of property, construction and facilities experience in Australia and overseas.</p> <p>Director of Rider Levett Bucknall NSW Pty Ltd, Rider Levett Bucknall ACT Pty Ltd, Rider Hunt Terotechnology (NSW & ACT) Pty Ltd and In-Touch Group Pty Ltd.</p> <p>Director FMA Australia since 17 November 2000.</p>
Mr Steve Jones, Director Membership	<p>Director, Commercial and Facilities, Australian Sports Commission (ASC).</p> <p>Member of the ASC Executive with responsibility for leadership, strategic planning and management of a range of capabilities including FM services and commercial operations. A civil engineer by professional qualification.</p> <p>Prior to working at the ASC, gained extensive experience in facilities management across a wide range of organisations including the Australian Army Engineers - Defence, Department of Administrative Services, the Department of Finance and Administration, Price Waterhouse Coopers and Multiplex.</p> <p>Director FMA Australia since 14 November 2005.</p>
Ms Naomi Nielsen, Director Education and Training	<p>General Manager, Facilities, Campus Living Villages</p> <p>Over 17 years experience in facilities management including tertiary, corporate, financial services, property, facilities planning and asset management, working both internally for large organisations and consulting externally throughout Australia and New Zealand. Bachelors degree in Economics (UNE) and MBA (UNE) and has achieved industry accreditation (AFM3).</p> <p>Appointed to the Board of the FM Action Agenda from its commencement in 2005 until its conclusion on 30 June 2008.</p> <p>Director FMA Australia since 6 February 2007.</p>

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Directors' Report

Name	Qualifications, Experience and Special Responsibilities
Mr Bryon Price, Director Innovation & Best Practice	<p>Director, A.G.Coombs Group Pty Ltd.</p> <p>Bryon is a Bachelor of Engineering (Mechanical), a Fellow of the Australian Institute of Refrigeration, Air Conditioning and Heating, and is a registered building practitioner in Victoria with 25 years experience in engineering and building services.</p> <p>Director of A.G.Coombs Pty Ltd, A.G.Coombs Servicing Pty Ltd, Walker Fire Protection Pty Ltd, and Integrated Technical Management Pty Ltd.</p> <p>Director FMA Australia since 20 November 2006.</p>
Mr David Duncan, Company Secretary	<p>CEO, FMA Australia.</p> <p>Over 20 years experience at CEO level gained from a broad range of organisations across the public, private and not-for-profit sectors. Tertiary qualified in urban and regional planning (UNE) with an MBA from the University of Adelaide. Fellow of the Australian Institute of Company Directors and Member of both the Planning Institute of Australia and Australian Institute of Management.</p> <p>Director of Global FM Association (based in Brussels), Director, Australian Construction Industry Forum.</p> <p>Company Secretary FMA Australia since 15 January 2007.</p>

8. Directors' Remuneration

No fees, salaries, bonuses or any other remuneration was paid to Directors in their capacity as a Director of the company.

Directors in office during the year were:

	Effective Date of Appointment	Date Ceased ¹	Board meetings Scheduled	
			Attended	Eligible
Mr Andrew McEwan	11 January 2006		6	6
Mr George Spink	14 November 2005	25 June 2008	6	6
Mr Steve Taylor	20 November 2006		4	6
Mr Stephen Ballesty	17 November 2000		5	6
Mr Steve Jones	14 November 2005		6	6
Ms Naomi Nielsen	6 February 2007		6	6
Mr Bryon Price	20 November 2006		4	6

(a) Executives

	Effective			
Mr David Duncan Chief Executive Officer	15 January 2007		6	6

¹ If no date shown Director was in office at the time of signing the financial statements.

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Directors' Report

9. Insurance of Directors and Officers

During the financial year FMA Australia provided insurance cover for the directors and officers of the Association.

During the financial year the company insured the directors and officers of the company against legal costs that may be brought against the officers in their capacity as officers of the company. The policy provides for confidentiality with respect to its premium.

10. Indemnification of Officers or Auditors

The company has not since the end of the previous financial year, in respect of any person who is or has been an officer or auditor of the company or a related body corporate:

- Indemnified or made any relevant agreement indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- Paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs for expenses to defend legal proceedings with the exception of the insurance premium paid and described in item 9 above.

11. Environmental Legislation

The company is not subject to significant environmental legislation.

12. Options

The company is limited by guarantee and therefore does not have a share capital. There are therefore no options to shares.

13. Proceedings on Behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

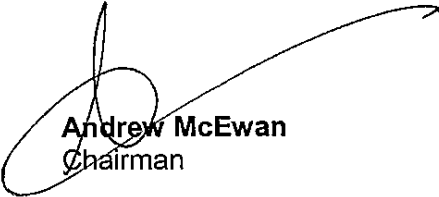
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Directors' Report

14. Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 9.

This report has been made in accordance with the resolution of the Board of Directors and is signed on behalf of the directors on 24th September 2008.



Andrew McEwan
Chairman



Steve Taylor
Director - Finance

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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
FACILITY MANAGEMENT ASSOCIATION OF AUSTRALIA LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2008, there have been:

- a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation the audit; and
- b) no contraventions of any applicable code of professional conduct in relation to the audit.


BENTLEYS MELBOURNE PARTNERSHIP
CHARTERED ACCOUNTANTS


MARTIN FENSOME
PARTNER

Dated in Melbourne on this 23 day of September 2008

FACILITY MANAGEMENT ASSOCIATION OF AUSTRALIA LIMITED
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Income Statement
For The Year Ended 30 June 2008

	Note	2008 \$	2007 \$
Revenue	2	1,954,291	1,833,044
Expenses			
Employee benefits expenses		(723,742)	(586,983)
Depreciation and amortisation		(30,793)	(44,491)
Cost of publications sold		-	(1,357)
Conference		(312,916)	(325,321)
Branch activities		(321,188)	(281,051)
Administrative expenses		(440,472)	(357,974)
Other expenses		(60,796)	(109,746)
Total Expenses		(1,889,907)	(1,706,923)
Surplus before income tax	3	64,384	126,121
Income tax	1(g)	-	-
Net surplus		64,384	126,121

The accompanying notes form part of this financial report.

FACILITY MANAGEMENT ASSOCIATION OF AUSTRALIA LIMITED
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Balance Sheet
as at 30 June 2008

	Note	2008 \$	2007 \$
Current Assets			
Cash and cash equivalents		376,593	207,939
Trade and other receivables	4	98,142	136,293
Inventory	5	4,439	9,523
Other	6	11,273	30,447
Total Current Assets		<u>490,447</u>	<u>384,202</u>
Non-Current Assets			
Property, plant and equipment	7	50,496	78,567
Total Non-Current Assets		<u>50,496</u>	<u>78,567</u>
Total Assets		<u>540,943</u>	<u>462,769</u>
Current Liabilities			
Trade and other payables	8	50,152	78,344
Other creditors	9	142,580	102,827
Borrowings	11	-	7,739
Provisions	10	31,968	22,000
Total Current Liabilities		<u>224,700</u>	<u>210,910</u>
Total Liabilities		<u>224,700</u>	<u>210,910</u>
Net Assets		<u>316,243</u>	<u>251,859</u>
Equity			
Retained Earnings		<u>316,243</u>	<u>251,859</u>
Total Equity		<u>316,243</u>	<u>251,859</u>

The accompanying notes form part of this financial report.

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Statement of Changes in Equity
For The Year Ended 30 June 2008

	Note	Retained Earnings \$	Total \$
Balance at 1 July 2006		125,738	125,738
Surplus for the year		<u>126,121</u>	<u>126,121</u>
Balance at 30 June 2007		<u>251,859</u>	<u>251,859</u>
Surplus for the year		<u>64,384</u>	<u>64,384</u>
Balance at 30 June 2008		<u>316,243</u>	<u>316,243</u>

The accompanying notes form part of this financial report

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Cash Flow Statement
For The Year Ended 30 June 2008

	Note	2008	2007
		\$	\$
Cash Flows From Operating Activities			
Receipts from members/operations		1,997,201	1,646,237
Interest received		10,224	12,886
Payments to suppliers and employees		(1,828,310)	(1,905,005)
Net cash from (used in) operating activities	15(b)	179,115	(245,882)
Cash Flows From Investing Activities			
Payment for plant & equipment		(2,722)	(61,901)
Net cash flows used in investing activities		(2,722)	(61,901)
Cash Flows From Financing Activities			
Repayment of borrowings		(7,738)	(8,349)
Net cash flows from financing activities		(7,738)	(8,349)
Net increase / (decrease) in cash held		168,654	(316,131)
Cash at the beginning of the financial year		207,939	524,070
Cash at the end of the financial year	15(a)	376,593	207,939

The accompanying notes form part of this financial report.

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**Notes To Members Forming Part Of The Financial Statements
For The Year Ended 30 June 2008**

NOTE 1 – Summary of Significant Accounting Policies

(a) Basis of accounting

The directors are of the view that the company is not a reporting entity. This financial report has been prepared as a special purpose financial report solely to meet the Corporations Act (2001) requirements to prepare a financial report. The financial report has been prepared in accordance with the Corporations Act 2001, and the basis of accounting and disclosure requirements specified by all Australian Accounting Standards and Australian Accounting Interpretations, except the disclosure requirements of the pronouncements listed below.

AASB 124 Related Party Disclosures

AASB 132 Financial Instruments Presentation

AASB 7 Financial Instruments: Disclosures

Facility Management Association of Australia Limited is a company limited by guarantee, incorporated and domiciled in Australia.

Reporting Basis and Conventions

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

The following is a summary of the material accounting policies adopted by the company in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

(b) Revenue Recognition

Revenue from membership fees is accounted for in the period it is received when no significant uncertainty as to its collectability exists. Revenues are measured at the fair value of the consideration or contributions received.

Revenue from conferences is recognised once the conference has taken place.

Revenue from branch activities and professional development is recognised once the activities have taken place.

(c) Cash and cash equivalents

For financial reporting purposes, cash includes cash on hand, cash at bank and on deposit and cheques receipted but not banked.

(d) Inventories

Inventories, including, publications, are carried at the lower of cost and net realisable value.

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Notes To Members Forming Part Of The Financial Statements
For The Year Ended 30 June 2008

(e) Plant and Equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

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

Furniture and Office Equipment	20% - 33%
Leasehold Improvements	20% - 27%
Software development	20%

(f) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

(g) Taxation

The association's activities are exempt from all forms of Commonwealth taxation with the exception of the provisions of the Fringe Benefits Tax and Goods and Services Tax (GST) legislation. As such, GST input tax credits receivable and GST payable from/to the Australian Tax Office are recognised and accrued.

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Notes To Members Forming Part Of The Financial Statements
For The Year Ended 30 June 2008

(h) Comparative figures

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

(i) 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.

(j) 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.

(k) Critical accounting estimates and 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 economic entity.

(l) Key estimates — Impairment

The economic entity assesses impairment at each reporting date by evaluating conditions specific to the economic entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

No impairment has been recognised in respect of property, plant and equipment for the year ended 30 June 2008.

The financial report was authorized for issue on 24th September 2008 by the board of directors.

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Notes To Members Forming Part Of The Financial Statements
For The Year Ended 30 June 2008

NOTE 2 – Revenue

Operating Activities

	2008	2007
	\$	\$
Revenue from continuing operations		
Membership Fees	564,720	741,444
Conference	661,937	608,909
Branch Activities & Professional Development	592,964	425,842
Accreditation Application Fees	13,802	12,487
Sales of publications	12,802	7,252
Sales – website/On-line newsletter	68,392	-
Sundry Income	29,450	24,332
Interest Received	10,224	12,778
Total Revenue from continuing operations	<u>1,954,291</u>	<u>1,833,044</u>

NOTE 3 – Surplus

Surplus before Income Tax expense has been determined after:

Training costs associated with iMIS membership database implementation	-	21,020
Depreciation of plant and equipment	30,793	44,491
Rental expense on operating leases	57,000	45,519
	<u> </u>	<u> </u>

NOTE 4 – Trade & Other Receivables

Trade debtors	98,142	135,814
Other debtors	-	479
	<u>98,142</u>	<u>136,293</u>

NOTE 5 – Inventory

Publications at cost	<u>4,439</u>	<u>9,523</u>
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Notes To Members Forming Part Of The Financial Statements
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	2008	2007
	\$	\$
NOTE 6 – Other Current Assets		
Prepayments	11,273	30,447
	11,273	30,447

NOTE 7 – Property, Plant and Equipment		
Property, plant and equipment at cost	239,590	236,869
Less Accumulated depreciation	(189,095)	(158,302)
	50,495	78,567

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

	Furniture & Equipment	Software Develop.	Leasehold Improve.	Total
	\$	\$	\$	\$
Balance at 1 July 2007	39,172	34,129	5,266	78,567
Additions	728	-	1,994	2,722
Disposals (net)	-	-	-	
Depreciation expense	(19,831)	(9,426)	(1,536)	(30,793)
Carrying Amount at 30 June 2008	20,069	24,703	5,724	50,496

NOTE 8 – Trade and other payables

Trade creditors	50,152	78,344
	50,152	78,344

NOTE 9 – Other Creditors

Accruals & sundry creditors	50,435	49,779
GST	22,052	37,814
Income received in advance	16,958	15,234
Other Payables	53,135	-
	142,580	102,827

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Notes To Members Forming Part Of The Financial Statements
For The Year Ended 30 June 2008

	2008	2007
	\$	\$
NOTE 10 – Provisions - Current		
Annual Leave	31,968	22,000

NOTE 11 – Borrowings

Current

Hire purchase liability	-	7,739
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NOTE 12 Auditors Remuneration

Remuneration of the auditor for:

- auditing or reviewing the financial report	9,900	9,400
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NOTE 13 – Limitation of Members Liability

The Facility Management Association of Australia is a company limited by guarantee, not having any share capital and domiciled in Australia. In accordance with the Constitution, the liability of members in the event the company is wound up, would not exceed \$100 per member as payment towards meeting any outstanding obligations of the company. At 30 June 2008 the number of members was 1,724 (2007: 1,718).

NOTE 14 – Capital and Leasing Commitments

(i) Office Rental Payable

Not later than one year	60,000	56,000
Longer than 1 year but not longer than 5 years	135,000	177,333
	195,000	233,333

(ii) Operating Lease Payable

Not later than one year	8,200	5,820
Longer than 1 year but not longer than 5 years	31,096	11,155
	39,296	16,975

(ii) Hire Purchase Instalments

Not later than one year	-	7,739
Longer than 1 year but not longer than 5 years	-	-
	-	7,739

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Notes To Members Forming Part Of The Financial Statements
For The Year Ended 30 June 2008

	2008	2007
	\$	\$
NOTE 15 – Cash Flow Information		
(a) Reconciliation of Cash		
Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash at bank and on hand	376,593	207,939
(b) Reconciliation of net cash from operating activities to operating surplus after income tax:		
Surplus after income tax	64,384	126,121
Non-cash flows in operating surplus		
Depreciation	30,793	44,491
Write off Leasehold Improvements & Other	-	7,194
Transfers from provisions	9,968	6,000
Change in Assets and Liabilities		
Decrease (increase) in receivables	38,151	(77,682)
Decrease (increase) in prepayments and other current assets	19,174	(14,905)
Decrease (increase) in inventories	5,084	1,357
(Decrease) increase in accounts payable	(28,192)	(22,685)
(Decrease) Increase in other creditors	39,753	(315,773)
Cash flow from (used in) operations	179,115	(245,882)

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Notes To Members Forming Part Of The Financial Statements
For The Year Ended 30 June 2008

Note 16: Capital Management

Management controls the capital of the company in order to maintain a good debt to equity ratio, provide the members with adequate returns and to ensure that the company can fund its operations and continue as a going concern.

The company's debt and capital includes financial liabilities, supported by financial assets.

There are no externally imposed capital requirements.

Management effectively manages the company's capital by assessing its financial risks and adjusting its capital structure in response to changes in these risks and in the market.

There have been no significant changes in the strategy adopted by management to control the capital of the company since the prior year. The gearing ratios for the year ended 30 June 2008 and 30 June 2007 are as follows:

		2008	2007
Total borrowings	11	-	7,739
Trade and other payables	8 , 9	192,732	181,171
Less cash and cash equivalents	15 (a)	(376,593)	(207,939)
Net debt		(183,861)	(19,029)
Total equity		316,243	251,859
Total capital		132,382	232,830
Gearing ratio		N/A	N/A

Note 17: Change in Accounting Policy

The following Australian Accounting Standards which have been issued or amended and which are applicable to the company but are not yet effective and have not been adopted in preparation of the financial statements at reporting date.

AASB Amendment	Standard Affected	Outline of Amendment	Application date of Standard	Application date for company
AASB 2007-3 Amendments to Australian Accounting Standards	AASB 5	Non-current Assets Held for Sale and Discontinued Operations	1.1.2009	1.7.2009
	AASB 6	Exploration for and Evaluation of Mineral		
	AASB 102	Inventories		
	AASB 107	Cash Flow Statements		
		The disclosure requirements of AASB 114: Segment Reporting have been replaced due to the issuing of AASB 8: Segment Reporting in February 2007. These amendments will involve changes to segment reporting disclosures within the		

FACILITY MANAGEMENT ASSOCIATION OF AUSTRALIA LIMITED
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Notes To Members Forming Part Of The Financial Statements
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Note 17: Change in Accounting Policy (Cont.)

AASB Amendment	Standard Affected		Outline of Amendment	Application date of Standard	Application date for company
AASB 2007-3 Amendments to Australian Accounting Standards	AASB 119	Employee Benefits	financial report. However, it is anticipated there will be no direct impact on recognition and measurement criteria amounts included in the financial report, as the company does not fall within the scope of AASB 8.	1.1.2009	1.7.2009
	AASB 127	Consolidated and Separate Financial Statements			
	AASB 134	Interim Financial Reporting			
	AASB 136	Impairment of Assets			
	AASB 1023	General Insurance Contracts			
	AASB 1038	Life Insurance Contracts			
AASB 8 Operating Segments	AASB 114	Segment Reporting	As above.	1.1.2009	1.7.2009
AASB 2007-6 Amendments to Australian Accounting Standards	AASB 1	First time adoption of AIFRS	The revised AASB 123: Borrowing Costs issued in June 2007 has removed the option to expense all borrowing costs. This amendment will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. However, there will be no direct impact to the amounts included in the entity as it already capitalises borrowing costs related to qualifying assets.	1.1.2009	1.7.2009
	AASB 101	Presentation of Financial Statements			
	AASB 107	Cash Flow Statements			
	AASB 111	Construction Contracts			
	AASB 116	Property, Plant and Equipment			
	AASB 138	Intangible Assets			
AASB 123 Borrowing Costs	AASB 123	Borrowing Costs	As above	1.1.2009	1.7.2009
AASB 2007-8 Amendments to Australian Accounting Standards	AASB 101	Presentation of Financial Statements	The revised AASB 101: Presentation of Financial Statements issued in September 2007 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity.	1.1.2009	1.7.2009
AASB 101	AASB 101	Presentation of Financial Statements	As above	1.1.2009	1.7.2009

Note 18: Company Details

The registered office and principal place of business is:
Facility Management Association of Australia Limited
Level 6, 313 La Trobe Street
Melbourne VIC 3000

Directors' Declaration

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial report, comprising the Income Statement, Balance Sheet, Statement of Change in Equity, Cash Flow Statement and accompanying notes, is in accordance with the Corporations Act 2001, and it;
 - (a) complies with Accounting Standards as described in Note 1 to the financial statements and the Corporations Regulations 2001; and,
 - (b) gives a true and fair view of the company's financial position as at 30 June 2008 and of its performance for the period ended on that date in accordance with the accounting policies described in Note 1 to the financial report.
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 a resolution of the Board of Directors made pursuant to s.295(5) Corporation Act 2001.

On behalf of the Directors



Andrew McEwan
Chairman



Steve Taylor
Director - Finance

Melbourne
24th September 2008

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**Notes To Members Forming Part Of The Financial Statements
For The Year Ended 30 June 2008**

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
FACILITY MANAGEMENT ASSOCIATION OF AUSTRALIA LIMITED**

Scope

The financial report and directors' responsibility

The financial report comprises the Income Statement, Balance Sheet, Statement of Change in Equity and Cash Flow Statement, summary of significant accounting policies, the accompanying notes, and the director's declaration for the Facility Management Association of Australia Limited for the financial year ended 30 June 2008, as set out on pages 10 to 23.

The directors of the company are responsible for the preparation and true and fair presentation of the financial report, in accordance with Accounting Standards and the Corporations Act 2001. This includes responsibility for the maintenance of adequate financial records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit Approach

We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. The Nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal controls, and the availability of persuasive rather than conclusive evidence. Therefore an audit can not guarantee that all material misstatements have been detected.

We performed procedures to form an opinion whether in all material respects, the financial report is presented fairly in accordance with Auditing Standards in Australia and the Corporations Act 2001 so as to present a view which is consistent with our understanding of the company's financial position, and performance as represented in the results of their operations, changes in equity and their cash flows.

Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting policies and significant accounting estimates made by the directors. While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance of internal controls.

The audit opinion expressed in this report has been formed on the above basis.

FACILITY MANAGEMENT ASSOCIATION OF AUSTRALIA LIMITED
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Notes To Members Forming Part Of The Financial Statements
For The Year Ended 30 June 2008

Audit Opinion

In our opinion, the financial report of the Facility Management Association of 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 30 June 2007 and of its performance for the year ended on that date; and
- (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001.

Liability Limited by a scheme approved under the Professional Standards Legislation