

**Australian Corporate Lawyers Association**  
**(Trading as ACC Australia)**

**ABN 97 003 186 767**

**Annual Report - 30 June 2019**

**Australian Corporate Lawyers Association**  
**Directors' report**  
**30 June 2019**

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2019.

**Directors**

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:

<b>Names and special responsibilities</b>	<b>Qualifications and Experience</b>
Karen Grumley, National President	Legal Counsel, Pacific National
Justin Coss, National Vice President (member of Finance, Audit and Risk Committee)	Group Legal Counsel and Company Secretary, AUB Group Limited (Former)
Gillian Wong, Immediate Past President	Manager, Legal and Deputy Company Secretary, St Barbara Limited
Mary Adam	General Counsel and Director, Legislation and Statutory Support, Department of Local Government, Sport and Cultural Industries
Sandie Angus	General Counsel
Anna Bagley (Young) (appointed 15 November 2018) (member of Finance, Audit and Risk Committee)	Group General Manager, Risk and Legal, Programmed
Teresa Cleary (appointed 15 November 2018)	General Counsel and Company Secretary, Australian Institute of Company Directors (until 26 August 2019)
Susan Dalliston (retired 15 November 2018)	General Counsel, Ignite Energy Resources
Jonathan Downes (retired 15 November 2018)	General Counsel and Company Secretary, Willis Towers Watson
Jonathan Fenwick (retired 15 November 2018) (member of Finance, Audit and Risk Committee until 15 November 2018)	Legal Counsel, CSIRO
Sayuri Grady (member of Finance, Audit and Risk Committee from 17 November 2018)	General Counsel, Australian Public Service Commission
Valerie Hodgins (member of Finance, Audit and Risk Committee)	Director, Legal and Governance Services, Metropolitan Redevelopment Authority
Theo Kapodistrias	Lawyer, University of Tasmania
Andrew Lee (retired 15 November 2018) (member of Finance, Audit and Risk Committee until 15 November 2018)	General Counsel, Beyond Bank Australia
Scott Long (appointed 15 November 2018)	Director of Legal Services, University of Adelaide (until 2 August 2019)
Lori Middlehurst (member of Finance, Audit and Risk Committee from 17 November 2018)	Senior Director and Associate General Counsel, Global Lead Employment and Immigration, VMWare
Carolyn Mei Ramsay (Chair of Finance, Audit and Risk Committee)	Group Executive, Legal, Governance and Regulatory Affairs, Medibank Private Limited
Edwina Stevenson (Starck)	Lawyer, Pernod Ricard Winemakers
Kate Stewart (appointed 15 November 2018, resigned 23 February 2019)	Deputy General Counsel Department of Industry, Innovation and Science

## **Principal activities**

ACLA entered into an integration agreement with the Association of Corporate Counsel ("ACC") since 1 July 2015. During the financial year, the principal continuing activities of the company is to provide services to in-house lawyers working for corporations and government in Australia.

## **Objectives**

ACLA's mission is to advance the knowledge and understanding of Australian in-house practice through the provision of education for the public and the in-house profession, and advocacy, networking and professional services to its members.

Vision:

ACLA is the leading voice and membership of choice for Australian in-house lawyers.

ACLA does this by:

- Developing the knowledge base about and for the in-house profession
- Fostering member collaboration in forums, network and think tanks
- Championing the professional recognition of in-house lawyers publicly and recognising personal standing
- Advocating on matters of interest to the in-house profession to shape our nation's corporate legal environment and promote the understanding of the law within the business and legal communities and by the public
- Providing cutting-edge in-house specific and developed education
- Supporting members with the tools and services they need to excel personally and professionally in their careers and to be able to give back to the community as a whole.

ACLA aims to achieve its vision by:

- upholding in-house lawyers' value of being ethical and independent;
- facilitating inclusive and collaborative relationships within and outside the legal profession;
- promoting the interests, advancement and professional recognition of in-house lawyers; and
- providing in-house lawyers with the education and resources necessary to excel personally and professionally.

## **Company Secretary**

Rachel Portelli has been Company Secretary since 2015. Rachel is a consultant CEO and Chartered Secretary, graduate and now a Fellow of the Governance Institute of Australia, member of the UK Institute of Chartered Secretaries and Administrators (ICSA) and the Australian Institute of Company Directors. Rachel has extensive commercial and not for profit sector senior management and governance experience, including advocating to and engaging effectively with all levels of state and federal government and non-government organisations.

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**Directors' report**  
**30 June 2019**

**Meetings of directors**

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2019, and the number of meetings attended by each director were:

<b>Director</b>	<b>No. of meetings attended</b>	<b>No. of meetings eligible to attend</b>
Mary Adam	6	7
Sandie Angus	6	7
Anna Bagley (Young)	5	5
Teresa Cleary	5	5
Justin Coss	7	7
Susan Dalliston	2	2
Jonathan Downes	2	2
Jonathan Fenwick	2	2
Sayuri Grady	6	7
Karen Grumley	7	7
Valerie Hodgins	7	7
Theo Kapodistrias	7	7
Andrew Lee	2	2
Scott Long	5	5
Lori Middlehurst	6	7
Carolyn Mei Ramsay	5	7
Edwina Stevenson (Starck)	7	7
Kate Stewart	1	3
Gillian Wong	6	7

**Meetings of Finance, Audit and Risk Committee (FARC)**

The number of Finance, Audit and Risk Committee meetings and the number of meetings attended by each FARC committee member during the year were:

<b>Committee Member</b>	<b>No. of meetings attended</b>	<b>No. of meetings eligible to attend</b>
Carolyn Mei Ramsay (Chair)	7	7
Anna Young (Bagley)	3	4
Justin Coss	4	7
Jonathan Fenwick	3	3
Sayuri Grady	3	4
Valerie Hodgins	7	7
Andrew Lee	2	3
Lori Middlehurst	3	4

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**Contributions on winding up**

In the event of the company being wound up, every member of the company is required to contribute a maximum of \$100 each.

**Auditor's independence declaration**

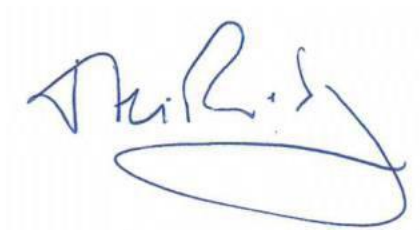
A copy of the auditor's independence declaration is set out immediately after this directors' report.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'K Grumley', with a large, stylized loop at the bottom.

K Grumley  
Director

7 September 2019  
Melbourne

A handwritten signature in blue ink, appearing to read 'C M Ramsay', with a large, stylized loop at the bottom.

C M Ramsay  
Director

7 September 2019  
Melbourne

**RSM Australia Partners**

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Australian Corporate Lawyers Association for the year ended 30 June 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of Australian professional accounting bodies; and
- (ii) any applicable code of professional conduct in relation to the audit.

**RSM AUSTRALIA PARTNERS**

**R B MIANO**  
Partner

Dated: 7 September 2019  
Melbourne, Victoria

## **Australian Corporate Lawyers Association**

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**30 June 2019**

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#### **General information**

The financial statements cover Australian Corporate Lawyers Association as an individual entity. The financial statements are presented in Australian dollars, which is the Australian Corporate Lawyers Association's functional and presentation currency.

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

#### **Registered Office and Principle place of business**

5/84 William Street,  
Melbourne, Victoria, 3000

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

**Australian Corporate Lawyers Association**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2019**

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
<b>Income from continuing operations</b>			
Revenue	3a	1,458,500	1,371,680
Other income	3b	153,655	46,099
<b>Total income from continuing operations</b>		<u>1,612,155</u>	<u>1,417,779</u>
<b>Expenses from ordinary activities</b>			
Depreciation and amortisation expenses		22,124	21,667
Salaries and employee benefits expenses	3c	458,161	464,683
National office expenses	3d	260,375	281,799
Conference expenses	3e	682,666	730,518
Board and committee expenses		8,364	41,070
Travel expenses		118,103	108,891
Other expenses from ordinary activities	3f	152,609	104,849
<b>Total expenses from ordinary activities</b>		<u>1,702,402</u>	<u>1,753,477</u>
<b>Loss from ordinary activities before income tax expense</b>		<b>(90,247)</b>	<b>(335,698)</b>
Income tax expense relating to ordinary activities		-	-
<b>Loss for the period from continuing operations</b>		<b>(90,247)</b>	<b>(335,698)</b>
Other comprehensive income for the year		-	-
<b>Total comprehensive income for the year</b>		<u><b>(90,247)</b></u>	<u><b>(335,698)</b></u>

*The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*



**Australian Corporate Lawyers Association**  
**Statement of financial position**  
**As at 30 June 2019**

	<b>Note</b>	<b>2019</b>	<b>2018</b>
		<b>\$</b>	<b>\$</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	231,807	196,993
Trade and other receivables	5	191,912	230,343
<b>TOTAL CURRENT ASSETS</b>		<b>423,719</b>	<b>427,336</b>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	6	32,313	53,280
Other non-current assets		6,534	6,534
<b>TOTAL NON-CURRENT ASSETS</b>		<b>38,847</b>	<b>59,814</b>
<b>TOTAL ASSETS</b>		<b>462,566</b>	<b>487,150</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	7	232,730	259,788
Provisions	8	22,185	23,351
<b>TOTAL CURRENT LIABILITIES</b>		<b>254,915</b>	<b>283,139</b>
<b>NON-CURRENT LIABILITIES</b>			
Trade and other payables	7	97,000	-
Provisions	8	2,150	5,263
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>99,150</b>	<b>5,263</b>
<b>TOTAL LIABILITIES</b>		<b>354,065</b>	<b>288,402</b>
<b>NET ASSETS</b>		<b>108,501</b>	<b>198,748</b>
<b>EQUITY</b>			
Retained earnings		108,501	198,748
<b>TOTAL EQUITY</b>		<b>108,501</b>	<b>198,748</b>

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Australian Corporate Lawyers Association**  
**Statement of Changes in Equity**  
**For the year ended 30 June 2019**

	<b>Retained Earnings \$</b>
Balance at 1 July 2017	534,446
Loss for the year	<u>(335,698)</u>
Balance at 30 June 2018	<u><u>198,748</u></u>
Balance at 1 July 2018	198,748
Loss for the year	<u>(90,247)</u>
Balance at 30 June 2019	<u><u>108,501</u></u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**Australian Corporate Lawyers Association**  
**Statement of cash flows**  
**For the year ended 30 June 2019**

	<b>Note</b>	<b>2019</b> <b>\$</b>	<b>2018</b> <b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		2,497,904	2,087,015
Payments to suppliers and employees (inclusive of GST)		(2,239,615)	(2,169,270)
Interest received		558	1,477
Tax paid		(216,422)	(166,487)
Net cash (used in) / from operating activities	16	<u>42,425</u>	<u>(247,265)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		<u>(1,157)</u>	<u>(59,624)</u>
Net cash used in investing activities		<u>(1,157)</u>	<u>(59,624)</u>
<b>Cash flows from financing activities</b>			
Net repayment of loan to Asia Pacific		<u>(6,454)</u>	<u>(308,378)</u>
Net cash used in financing activities		<u>(6,454)</u>	<u>(308,378)</u>
Net (decrease) / increase in cash and cash equivalents		34,814	(615,267)
Cash and cash equivalents at the beginning of the financial year		<u>196,993</u>	<u>812,260</u>
Cash and cash equivalents at the end of the financial year	4	<u>231,807</u>	<u>196,993</u>

*The above statement of cash flows should be read in conjunction with the accompanying notes*

## **Note 1. Significant accounting policies**

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

### **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.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

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

#### *AASB 9 Financial Instruments*

The incorporated association has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designated as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch).

New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

#### *Impact of adoption*

AASB 9 were adopted using the modified retrospective approach and as such comparatives have not been restated. There was no impact on opening retained profits as at 1 July 2018.

### **Basis of preparation**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Australian Charities and Not-for-profits Commission Act 2012*, as appropriate for not-for-profit oriented entities.

#### *Historical cost convention*

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

#### *Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Note 1. Significant accounting policies (continued)**

**Revenue recognition**

Revenue is recognised when it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

*Membership revenue*

Membership fees represents annual membership fees paid by the members. Membership fees revenue is accounted on a deferred basis, whereby revenue is rateably over the one year membership period.

*Corporate Alliance Partner (CAP) Program revenue*

Revenue from CAP program is recognised over the period of the program on the basis that reflects the timing, nature and value of the benefits provided.

*Sales revenue*

Revenue from conferences, events, sponsorship, fundraising and project income are recognised when the events take place, or as the case may be, when revenue is received or receivable.

*Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

**Income tax**

As the company is a charitable institution in terms of subsection 50-5 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trade and other receivables**

Trade and other receivables are recognised at amortised cost, less any provision for impairment.

**Note 1. Significant accounting policies (continued)**

**Property, plant and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

	<b>2019</b>	<b>2018</b>
Furniture and fittings	3 to 10 years	3 to 10 years
Office fit-out	3 years	3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**Note 1. Significant accounting policies (continued)**

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Goods and Services Tax ('GST') and other similar taxes**

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

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

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2018. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

<b>Title</b>	<b>Summary</b>	<b>Application date</b>	<b>Expected Impact</b>
AASB 16 Leases	<p>AASB 16 will cause the majority of leases of an entity to be brought onto the statement of financial position. There are limited exceptions relating to short-term leases and low value assets which may remain off-balance sheet.</p> <p>The calculation of the lease liability will take into account appropriate discount rates, assumptions about lease term and increases in lease payments.</p> <p>A corresponding right to use asset will be recognised which will be amortised over the term of the lease.</p> <p>Rent expense will no longer be shown, the profit and loss impact of the leases will be through amortisation and interest charges.</p>	Annual reporting period beginning on or after 1 January 2019	<p>Whilst the impact of AASB 16 has not yet been fully quantified, the entity currently has \$56,610 worth of operating leases which we anticipate will be brought onto the statement of financial position through the recognition of a right to use asset and associated lease liability.</p> <p>Interest and amortisation expense will increase and rental expense will decrease.</p>

**New Accounting Standards and Interpretations not yet mandatory or early adopted**

<b>Title</b>	<b>Summary</b>	<b>Application date</b>	<b>Expected Impact</b>
AASB 15 <i>Revenue from contracts with customers</i> AASB 2014-5 <i>Amendments to Australian Accounting Standards arising from AASB 15</i> AASB 2016-7 <i>Amendments to Australian Accounting Standards – Deferral of AASB 15 for NFP entities</i> AASB 2016-8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for NFP entities</i>	<p>AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being for entities to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the entity expects to be entitled in exchange for those goods or services.</p> <p>Accounting policy changes will arise in timing of revenue recognition, treatment of contracts costs and contracts which contain a financing element.</p> <p>AASB 15 will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.</p>	Annual reporting period beginning on or after 1 January 2019	It is unlikely to cause changes to the timing and amount of revenue recorded in the financial statements given the nature of the revenue recognised as services are provided.

**Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Employee benefits provision*

As discussed in Note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

*Unearned income*

As discussed in Note 1, a portion of the revenue from CAP program and membership is recognised on basis that reflects when the benefit is provided. In determining the liabilities, estimation on the timing, nature and value when the revenue is redeemed have been considered.



**Note 3. Revenue and Expenses**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>(a) Revenue</b>		
Membership Fees	98,873	86,572
Conferences, events and sponsorship	1,035,744	935,708
CAP Income	199,676	242,482
Project Income	124,207	106,918
<b>Total Revenue</b>	<b>1,458,500</b>	<b>1,371,680</b>
<b>(b) Other income</b>		
Interest	558	1,477
Royalties income	51,005	14,474
Miscellaneous income	102,092	30,148
<b>Total other income</b>	<b>153,655</b>	<b>46,099</b>
<b>(c) Salaries and employee benefits expenses</b>		
Salaries	417,328	412,825
Superannuation	44,478	41,841
Annual leave and Long service leave	(4,279)	1,475
Other employee benefits	634	8,541
<b>Total salaries and employee benefits expenses</b>	<b>458,161</b>	<b>464,683</b>
<b>(d) National office expenses</b>		
Insurance	15,950	11,902
Accounting fees	93,820	98,260
IT related expenses	43,718	24,279
Office supplies	956	5,836
Rent	44,646	38,306
Marketing and promotion	14,028	19,086
Others	47,257	84,130
<b>Total national office expenses</b>	<b>260,375</b>	<b>281,799</b>
<b>(e) Conference expenses</b>		
Conference expense	548,976	423,805
Event expenses	95,576	237,997
Consultant and workshop fees	38,114	68,716
<b>Total conference expenses</b>	<b>682,666</b>	<b>730,518</b>
<b>(f) Other expenses</b>		
Postage & couriers	-	1,138
Printing & Stationery	-	4,520
Secretariat fees	68,238	7,500
Telephone & fax	12,566	11,997
Bad Debt	-	16,500
Project cost	65,380	56,126
Bank charges	6,425	7,068
<b>Total other expenses</b>	<b>152,609</b>	<b>104,849</b>

**Australian Corporate Lawyers Association**  
**Notes to the financial statements**  
**30 June 2019**

**Note 4. Current assets - cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	337	337
Cash at bank	231,470	196,656
<b>Total cash and cash equivalents</b>	<b>231,807</b>	<b>196,993</b>

**Note 5. Current assets - trade and other receivables**

Trade receivables	132,028	168,590
Prepaid expenses	59,884	61,753
<b>Total trade and other receivables</b>	<b>191,912</b>	<b>230,343</b>

**Note 6. Non-current assets - property, plant and equipment**

Plant and Equipment - at cost	107,272	106,115
Less Accumulated depreciation	(74,959)	(52,835)
<b>Total plant and equipment</b>	<b>32,313</b>	<b>53,280</b>

**Reconciliations**

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	<b>Plant &amp; Equipment</b>
	<b>\$</b>
<b>Balance at 1 July 2017</b>	15,323
Additions	59,624
Disposal	-
Depreciation expense	(21,667)
<b>Balance at 30 June 2018</b>	<b>53,280</b>
Additions	1,157
Disposal	-
Depreciation expense	(22,124)
<b>Balance at 30 June 2019</b>	<b>32,313</b>

**Note 7. Trade and other payables**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Unearned Income	184,072	119,031
Sundry Creditors	2,765	95,107
Other accruals	45,893	45,650
Total current trade and other payables	<u><b>232,730</b></u>	<u><b>259,788</b></u>
<b>Non-Current</b>		
Sundry Creditors	<u><b>97,000</b></u>	<u><b>-</b></u>
<b>Total trade and other payables</b>	<u><b>329,730</b></u>	<u><b>259,788</b></u>

**Note 8. Provisions**

<b>Current</b>		
Provision for annual leave	22,185	23,351
<b>Non-Current</b>		
Provision for long service leave	<u>2,150</u>	<u>5,263</u>
<b>Total plant and equipment</b>	<u><b>24,335</b></u>	<u><b>28,614</b></u>

**Note 9. Financial instruments**

***Financial risk management objectives***

The company's activities do not expose it to many financial risks, with only liquidity risk being needed to be actively managed.

***Market risk***

Foreign currency risk

The company has very minimal foreign currency transactions and hence is not exposed to significant foreign currency risk.

***Price risk***

The company is not exposed to commodity and equity securities price risk.

***Interest rate risk***

The company is exposed to very minimal interest rate risk. Refer table 9.1 for the list of financial instruments that are exposed to interest rate risk.

***Credit risk***

The company trades only with recognised, creditworthy third parties.

Receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the company.

Since the company trades only with recognised third parties, there is no requirement for collateral.

**Note 9. Financial instruments (continued)**

***Liquidity risk***

Vigilant liquidity risk management requires the company to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

**Note 9. Financial instruments (continued)**

*Remaining contractual maturities*

The following tables detail the company's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

**Table 9.1 Interest rate exposure and ageing analysis of financial instruments**

**Fair value of financial instruments**

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Interest rate exposure and aging analysis of financial assets									
	Weighted average interest rate	Interest Rate exposure				Current	Past due by		
		Carrying Amount	Fixed interest rate	Variable interest rate	Non interest bearing		Less than 1 month	1-3 months	> 3 months
2019									
Cash on hand		337	-	-	-	-	-	-	-
Cash - floating rate	0.25%	231,470	-	-	-	-	-	-	-
Receivables		132,028	-	-	-	- 24,788	11,000	13,788	-
		363,835	-	-	-	- 24,788	11,000	13,788	-
Other creditors		145,658	-	-	145,658	129,394	7,579	8,685	-
		145,658	-	-	145,658	129,394	7,579	8,685	-
2018									
Cash on hand		337	-	-	-	-	-	-	-
Cash - floating rate	0.50%	196,656	-	196,656	-	-	-	-	-
Receivables		168,590	-	-	168,590	130,585	2,200	35,805	-
		365,583	-	196,656	168,590	130,585	2,200	35,805	-
Other creditors		140,757	-	-	140,757	68,135	30,684	32,013	9,925
		140,757	-	-	140,757	68,135	30,684	32,013	9,925

**Note 10. Key management personnel disclosures**

*Compensation*

The aggregate compensation made to members of key management personnel of the company is set out below:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Short-term employee benefits	132,183	140,000
Post-employment benefits	12,557	13,300
	<u>144,740</u>	<u>153,300</u>

**Note 11. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by RSM Australia, the auditor of the company:

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Audit of the financial statements	15,200	14,740
Other services	2,500	2,500
	<u>17,700</u>	<u>17,240</u>

**Note 12. Contingent liabilities**

The company had no contingent liabilities as at 30 June 2019 and 30 June 2018.

**Note 13. Commitments**

The Company had no capital commitment as at 30 June 2019 (2018: \$nil).

**Operating Leasing Commitments**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Commitment for minimum lease payment in relation to non-cancellable operating lease		
Within one year	56,640	53,350
Later than one year but not later than five years	-	56,640
	<u>56,640</u>	<u>109,990</u>

The Company has entered into commercial leases on certain premises from which services are rendered, office equipment and motor vehicles where it is not in the best interest of the Company to purchase these assets.

There are no restrictions placed upon the lessee by entering into these leases. Future minimum rentals payable under non-cancellable operating leases as at 30 June are reported in the table above.

**Note 14. Related party transactions**

*Key management personnel*

Disclosures relating to key management personnel are set out in note 10.

*Transactions with related parties*

During the year, the company has billed membership rebates and shared expenses at \$139,595 (2018: \$318,154) to Association of Corporate Counsel Asia Pacific Ltd (ACC Asia Pac). The outstanding balance as at 30 June 2019 is \$6,286 (2018: \$301,654). In 2018, the company repaid loan of \$258,700 to ACC Asia Pac.

During the year, the company also billed chapter advancement of \$87,032 to Associate of Corporate Counsel US. No outstanding balance as at 30 June 2019 (2018: \$nil).

Outside of ordinary business operation transactions with the Company, there were no related parties' transactions that involved key management personnel, their close family members and their personal business interest. No provision has been required, nor any expense recognised, for impairment of receivables from related parties (2018: None noted).

**Note 15. Events after the reporting period**

No matter or circumstance has arisen since 30 June 2018 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years (2018: None noted.)

**Note 16. Reconciliation of surplus after income tax expenses to net cash from operating activities**

	<b>2019</b>	<b>2018</b>
	<b>\$</b>	<b>\$</b>
Surplus after income tax expenses for the year	(90,247)	(335,698)
Adjustments for:		
Depreciation and amortisation	22,124	21,667
Repayment of loan to Asia Pacific	-	308,378
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	38,431	(39,398)
Increase in accrued revenue	65,041	6,504
Decrease/(increase) in prepayments	1,869	131,004
(Decrease)/increase in other payables and provisions	5,207	(339,222)
Net cash from/ (used in) operating activities	<u>42,425</u>	<u>(247,265)</u>

**Australian Corporate Lawyers Association**  
**Directors' declaration**  
**30 June 2019**

In accordance with a resolution of the Directors of Australian Corporate Lawyers Association, we state that

In the directors' opinion:

- the attached financial statements and notes comply with the Accounting Standards, and the *Australian Charities and Not-for-profits Commission Act 2012* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
- 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 directors made pursuant to subsection 60.15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

On behalf of the directors



K Grumley  
Director

7 September 2019  
Melbourne



C M Ramsay  
Director

7 September 2019  
Melbourne



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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN CORPORATE LAWYERS ASSOCIATION

### Opinion

We have audited the financial report of Australian Corporate Lawyers Association, which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the declaration by those charged with governance.

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

- (a) giving a true and fair view of the Company's financial position as at 30 June 2019 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards – Reduced Disclosure Requirements. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Australian Corporate Lawyers Association in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in Australian Corporate Lawyers Association's annual report for the year ended 30 June 2019, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

**Other Information (Continued.)**

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance 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 – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and for such internal control as the directors determine 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 preparing the financial report, the directors are responsible for assessing Australian Corporate Lawyers Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Australian Corporate Lawyers Association or to cease operations, or has no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

**RSM AUSTRALIA PARTNERS****R B MIANO**

Partner

Dated: 16 September 2019  
Melbourne, Victoria