

**THE COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LTD**

ACN: 001 290 115

**FINANCIAL REPORT  
FOR THE YEAR ENDED  
31 DECEMBER 2010**

# **THE COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LTD**

ACN: 001 290 115

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**Statement of Financial Position**  
**As at 31 December 2010**

	Note	2010 \$	2009 \$
Current Assets			
Cash	5	37,748	51,407
Receivables	6	30,270	36,747
Investments	7	90,290	52,049
Inventories	8	46	46
Petty Cash		200	200
Other	9	2,686	2,514
		-----	-----
Total Current Assets		161,240	142,963
		-----	-----
Non Current Assets			
Property Plant & Equipment	10	275	1,194
		-----	-----
Total Non Current Assets		275	1,194
		-----	-----
Total Assets		161,515	144,157
		-----	-----
Current Liabilities			
Payables	11	61,620	68,468
		-----	-----
Total Current Liabilities		61,620	68,468
		-----	-----
Net Assets		99,895	75,689
		-----	-----
Member's Funds			
Retained Profits o/b		75,689	66,789
Extraordinary Item		0	0
		-----	-----
		75,689	66,789
Current Surplus		24,206	8,900
		-----	-----
Total Member's Funds		99,895	75,689
		-----	-----

**Statement of Financial Performance**  
**Year ended 31 December 2010**

	Note	2010 \$	2009 \$
Function Revenue		109,436	104,944
Cost of Functions		-44,224	-41,366
		-----	-----
Gross Profit		65,212	63,578
Other Revenue from Ordinary Activities		92,655	71,082
Distribution Expenses		-5,239	-5,392
Occupancy Expenses		-643	-1,495
Administrative Expenses		-60,266	-51,346
Other Expenses from Ordinary Activities		-67,513	-67,527
		-----	-----
Profit from Ordinary Activities before Income Tax		24,206	8,900
Income Tax Expense		0	0
Extraordinary Item	1(e)	0	0
		-----	-----
Operating Profit After Income Tax		24,206	8,900
Member's Funds at the beginning of the year		75,689	66,789
Extraordinary Item		0	0
		-----	-----
Member's Funds at the end of the year		99,895	75,689
		-----	-----

**THE COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LTD**  
**Statement of Cash Flows**  
**As at 31 December 2010**

	Note	2010 \$	2009 \$
Cash Flows from Operating Activities			
Receipts from Operations		199,227	182,066
Payments to Suppliers and Employees		-177,885	-167,126
Interest Received		3,240	1,634
		-----	-----
Total Net Cash used on Operating Activities	4	24,582	16,574
		-----	-----
Net Cash used on Operating & Investing Activities		24,582	16,574
		-----	-----
Net (Decrease)Increase in Cash & Cash Equivalents		24,582	16,574
		-----	-----
Opening Cash Balance		103,656	87,082
		-----	-----
Closing Cash Balance	5	128,238	103,656
		-----	-----

# THE COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LTD

## Notes to and Forming Part of the Accounts For the year ended 31 December 2010

### 1. Statement of Accounting Policies

The financial statements are general purpose financial reports that have been prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements have also been prepared on an accruals basis and is based on historical costs and do not take into account changing money values or, except where stated current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

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

#### (a) Depreciation

The depreciable amount of plant and equipment is depreciated on a diminishing value basis over its useful life to the company commencing from the time the asset is held for use.

#### (b) Inventories

All inventories have been valued at the lower of cost and net realizable value and have been classified as current assets based on expected use.

#### (c) Income Tax

A ruling that The Commercial Law Association of Australia Ltd is exempt from income tax has been received from the Australian Taxation office and consequently income tax has not been provided for in the accounts.

#### (d) Employee Entitlements

As at balance date The Commercial Law Association of Australia had no employees as a result there is not Provision for Employee Benefit provided for in the accounts.

#### (e) Subscription Income

As at balance date the financial accounts of The Commercial Law Association Of Australia required no period adjustments to account for prepaid subscription income.

### 2. Revenue

	2010	2009
	\$	\$
Operating Activities		
Subscriptions	81,712	62,345
Sales of Bulletins, Papers & Binders	473	1,708
Interest Received	3,240	1,634
Net Income from Functions	65,212	63,578
Other Income	7,230	5,396
	-----	-----
	157,867	134,661
	-----	-----
Total Revenue	157,867	134,661
	-----	-----

### 3. Profit from Activities

Profit/(Loss) from ordinary activities before income tax has been determined after:

Depreciation of Plant and Equipment	919	919
Auditors Remuneration	4,973	3,659

<b>4. Cash Flow Information</b>	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
Reconciliation of cash flows from Operations with Profit/(Loss) from Ordinary Activities after Income Tax:		
Profit/(Loss) from Ordinary Activities after Income Tax	24,206	8,900
Non-cash flows in Profit/(Loss) from Ordinary Activities		
Depreciation	919	919
Changes in Assets and Liabilities		
(Increase)/Decrease in Other Debtors	6,649	4,087
(Increase)/Decrease in Prepayments	-172	191
(Decrease)/Increase in Creditors & Accruals	-6,848	4,356
	-----	-----
Cash Flow from Operations	24,754	18,453
	-----	-----
<b>5. Cash</b>		
Cash at Bank	37,748	51,407
	-----	-----
<b>Reconciliation of Cash</b>		
Cash at the end of the year as shown in the Statement of Cash Flow is reconciled to items in the Balance Sheet as follows:		
Cash	37,748	51,407
Petty Cash Float	200	200
Investments	90,290	52,049
	-----	-----
	128,238	103,656
	-----	-----
<b>6. Current Assets - Receivables</b>		
Sundry Debtors	28,157	33,985
Credit Card Clearing Account	2,113	2,762
	-----	-----
	30,270	36,747
	-----	-----
<b>7. Current Assets - Investments</b>		
Cash on Deposit	90,290	52,049
	-----	-----
<b>8. Current Assets – Inventories</b>		
Finished Goods	46	46
	-----	-----
<b>9. Current Assets - Other</b>		
Prepayments	2,686	2,514
	-----	-----
<b>10. Plant and Equipment</b>		
Office Furniture and Equipment		
At Cost	7,597	7,597
Accumulated Depreciation	7,322	6,403
	-----	-----
	275	1,194
	-----	-----
<b>11. Payables</b>		
Trade Creditors	8,997	5,000
Net GST Liability	-4,530	-5,048
Prepaid Subscriptions	57,153	68,285
	-----	-----
	61,620	68,237
	-----	-----

**THE COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LTD**  
**Detailed Statement of Income and Expenditure**  
**As at 31 December 2010**

	<b>2010</b>	<b>2009</b>
	<b>\$</b>	<b>\$</b>
<b>Income:</b>		
Subscriptions	81,712	62,345
Sales Bulletins, Paper & Binders	473	1,708
Interest Received	3,240	1,634
Net Income from Functions	65,212	63,578
Other Income	7,230	5,396
	-----	-----
<b>Total Income</b>	<b>157,867</b>	<b>134,661</b>
	-----	-----
<b>Less: Expenditure:</b>		
Auditors Remuneration	4,973	3,659
Bank Charges	2,027	4,064
Computer Peripherals & Consumables	0	437
Consultancy – Advertising	273	91
Contract Management	65,259	64,674
Credit Card Merchant Fees	2,078	12
Depreciation	919	919
Graduate Expenses	1,570	699
Insurance	3,096	2,835
International Law Section	127	0
Internet	9,688	8,587
Office Expense	643	1,495
Postage	3,271	3,684
Printing and Stationery	3,714	8,118
Prizes	1,335	1,934
<b>Commercial Law Quarterly</b>		
Cost of Production	11,380	11,295
Editorial	7,930	4,950
Distribution	1,525	1,708
Member Retention	5,341	4,973
New Member Exp	2,364	159
Telephone	520	624
Travel	5,629	844
	-----	-----
<b>Total Expenditure</b>	<b>133,661</b>	<b>125,761</b>
	-----	-----
<b>Operating Profit</b>	<b>24,206</b>	<b>8,900</b>
	-----	-----
<b>Surplus/(Deficit) for the Year</b>	<b>24,206</b>	<b>8,900</b>
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**THE COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LTD**  
**Directors' Declaration for the year ended 31 December 2010**

The directors of the company declare that:

1. The financial statements and notes as set out on pages 4 to 10
  - (a) comply with the accounting standards and the Corporations Act; and
  - (b) give a true and fair view of the financial position as at 31 December 2010 and performance for the year ended on that date for the company;
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 and is signed for and on behalf of the Directors by:



STEPHEN LAMY, Director



D O'BRYEN, Director

Date: 16 March 2011



## Independent Audit Report

To the Members of The Commercial Law Association of Australia Ltd:

### Scope

We have audited the Financial Report of The Commercial Law Association of Australia Ltd for the year ended 31 December 2010 comprising the Statement of Financial Position, Statement of Financial Performance, Cash Flow Statement, Notes to the Financial Statements, and the Directors Declaration. The Company's Directors are responsible for the financial report. 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. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosure in the financial report and the evaluation of accounting policies and significant account estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows.

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

### Audit Opinion

In our opinion, the financial report of The Commercial Law Association of Australia Ltd is in accordance with:

- (a) The Corporations Act, including:
  - (i) giving a true and fair view of the company's financial position as at 31 December 2010 and of its performance for the year ended on that date, and
  - (ii) complying with Accounting Standards and Corporations Regulations; and
- (b) Other mandatory professional reporting requirements.

COURTNEY & CO

PETER W METCALFE

# Auditor's Independence Declaration

## Auditor's independence declaration to the directors of The Commercial Law Association of Australia Ltd

In relation to our audit of the financial report of The Commercial Law Association of Australia Ltd for the year ended 31 December 2010, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

**Peter Metcalfe**  
*Partner*

Courtney & Co  
Sydney, March 2010