

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
ABN: 91 914 874 903

FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2020

**Liability limited by a scheme approved under
Professional Standards Legislation**

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
ABN: 91 914 874 903

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COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
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PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$	2019 \$
(Loss) Profit before income tax	1, 2	(22,995.44)	9,536.75
Income tax expense		-	-
(Loss) Profit after income tax		(22,995.44)	9,536.75
Retained earnings at the beginning of the financial year		256,698.32	247,161.57
Total available for appropriation		233,702.88	256,698.32
Retained earnings at the end of the financial year		233,702.88	256,698.32

The accompanying notes form part of these financial statements.

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
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BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 \$	2019 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	251,217.02	264,205.29
Trade and other receivables	4	2,488.04	6,118.27
TOTAL CURRENT ASSETS		<u>253,705.06</u>	<u>270,323.56</u>
NON-CURRENT ASSETS			
Other financial assets	5	3,061.33	3,257.40
TOTAL NON-CURRENT ASSETS		<u>3,061.33</u>	<u>3,257.40</u>
TOTAL ASSETS		<u>256,766.39</u>	<u>273,580.96</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	23,063.51	16,882.64
TOTAL CURRENT LIABILITIES		<u>23,063.51</u>	<u>16,882.64</u>
TOTAL LIABILITIES		<u>23,063.51</u>	<u>16,882.64</u>
NET ASSETS		<u>233,702.88</u>	<u>256,698.32</u>
EQUITY			
Retained earnings	7	233,702.88	256,698.32
TOTAL EQUITY		<u>233,702.88</u>	<u>256,698.32</u>

The accompanying notes form part of these financial statements.

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	112,380.78	179,996.49
Payments to suppliers and employees	(134,023.09)	(179,211.37)
Interest received	497.10	6,517.40
Net cash provided by (used in) operating activities	(21,145.21)	7,302.52
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for investments	196.07	(148.08)
Net cash provided by (used in) investing activities	196.07	(148.08)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	7,960.87	-
Repayment of borrowings	-	(7,943.00)
Net cash provided by (used in) financing activities	7,960.87	(7,943.00)
Net decrease in cash held	(12,988.27)	(788.56)
Cash at beginning of financial year	264,205.29	264,993.85
Cash at end of financial year	3 251,217.02	264,205.29

The accompanying notes form part of these financial statements.

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
ABN: 91 914 874 903

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

The financial statements cover the business of Commercial Law Association of Australia Limited and have been prepared to meet the needs of stakeholders.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The Company is non reporting since there are unlikely to be any users who would rely on the general purpose financial statements.

The special purpose financial statements have been prepared in accordance with the significant accounting policies summarised below and do not comply with any Australian Accounting Standards unless otherwise stated.

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

The significant accounting policies are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Revenue and Other Income

Revenue is recognised when the business is entitled to it.

Interest revenue

Interest revenue is recognised using the effective interest rate method.

Rendering of services

Recognising revenue in relation to rendering of services depends on whether the outcome of the services can be measured reliably. If this is the case then the stage of completion of the services is used to determine the appropriate level of revenue to be recognised in the period. If the outcome cannot be reliably measured then revenue is recognised to the extent of expenses recognised that are recoverable.

Other income

Other income is recognised on an accruals basis when the company is entitled to it.

Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the cash flow statement are included on a gross basis and the GST component of cash flows arising from investing or financing activities which is recoverable from, or payable to, the ATO is classified as operating cash flows.

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
ABN: 91 914 874 903

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	\$	\$
3 Cash and Cash Equivalents		
Term Deposit 7506	67,715.85	97,438.92
Term Deposit 7738	156,191.09	155,970.92
Commercial Law Association of Aust Ltd	27,310.08	10,795.45
	<u>251,217.02</u>	<u>264,205.29</u>
Reconciliation of cash		
Cash and Cash equivalents reported in the cash flow statement are reconciled to the equivalent items in the balance sheet as follows:		
Term Deposit 7506	67,715.85	97,438.92
Term Deposit 7738	156,191.09	155,970.92
Commercial Law Association of Aust Ltd	27,310.08	10,795.45
	<u>251,217.02</u>	<u>264,205.29</u>
4 Trade and Other Receivables		
Current		
Sundry Debtors	2,250.00	-
Trade Debtors	-	4,628.20
GST Payable/(Refundable)	238.04	1,428.07
Amex Clearing Account	-	62.00
	<u>2,488.04</u>	<u>6,118.27</u>
5 Other Financial Assets		
Non-Current		
Prepayments	3,061.33	3,257.40
	<u>3,061.33</u>	<u>3,257.40</u>
6 Trade and Other Payables		
Current		
Subscriptions Received in Advance	23,063.51	15,102.64
Trade Creditors	-	1,780.00
	<u>23,063.51</u>	<u>16,882.64</u>

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 \$	2019 \$
7 Retained Earnings		
Retained earnings at the beginning of the financial year	256,698.32	247,161.57
(Net loss) Net profit attributable to members of the company	<u>(22,995.44)</u>	<u>9,536.75</u>
Retained earnings at the end of the financial year	<u>233,702.88</u>	<u>256,698.32</u>

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
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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 significant accounting policies described in Note 2 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 7, present fairly the company's financial position as at 31 December 2020 and its performance for the year ended on that date in accordance with the significant accounting policies described in Note 2 to the financial statements; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Mr Norman Donato, Director



Mr Stephen Lamy, Director

Dated this day of 14 April, 2021

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
ABN: 91 914 874 903

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	\$	\$
<hr/>		
OTHER INCOME		
Income:		
Corporate Subscriptions	11,160.86	15,006.39
Individual Subscriptions	24,043.47	46,578.65
New Corporate Membership	2,090.90	3,261.82
New Individual Membership	11,753.56	7,242.71
Library Individual Membership	1,063.62	1,595.43
Library Corporate Membership	1,072.72	1,340.90
All Web Sales	-	1,320.90
Sales Video Recording & Papers	1,143.63	2,089.10
Commercial Law Forum	44.55	-
Job Keeper	24,750.00	-
Income from Functions	29,240.95	97,857.13
	106,364.26	176,293.03
Other Income	3,576.32	3,483.46
Interest Received	497.10	6,517.40
	110,437.68	186,293.89
	110,437.68	186,293.89

The accompanying notes form part of these financial statements.

COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
ABN: 91 914 874 903

PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	\$	\$
EXPENSES		
Advertising	918.64	1,293.19
Auditors Remuneration	9,182.82	7,763.63
Bank Charges	159.39	167.06
Contract Management	68,670.89	89,891.97
Consultancy Fees	3,600.00	-
Credit Card Merchant Fees		
Merchant Fees - AMEX	376.52	643.72
Merchant Fees - Mastercard/Visa	673.24	1,283.83
	1,049.76	1,927.55
Function Expenses	16,154.91	43,102.39
Insurance		
General Insurance	3,485.33	2,838.13
Directors & Officers Insurance	618.84	963.79
	4,104.17	3,801.92
Internet	6,825.99	6,725.45
Office Expenses	62.00	139.91
Postage	534.41	434.32
Printing & Stationery	823.68	552.84
Prizes	378.73	1,390.66
QLD Branch Expenses	282.50	-
Subscriptions	1,968.73	1,359.88
Telephone	1,459.86	482.11
Video Recordings & Papers	7,013.49	5,419.27
Travel	328.15	940.41
Commercial Law Quarterly		
Cost Of Production	4,470.00	7,210.00
Editorial	5,000.00	3,636.36
New Member Exp	445.00	518.22
	9,915.00	11,364.58
	133,433.12	176,757.14
(Loss) Profit before income tax	(22,995.44)	9,536.75
Income tax expense	-	-
(Loss) Profit after income tax	(22,995.44)	9,536.75

The accompanying notes form part of these financial statements.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
ABN: 91 914 874 903**

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Commercial Law Association of Australia Limited, (the company) which comprises the balance sheet as at 31 December 2020, statement of profit or loss and other comprehensive income and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2020 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and 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 confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditors' report.

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

Emphasis of Matter- Basis of Accounting

We draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect to this matter.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF COMMERCIAL LAW ASSOCIATION OF AUSTRALIA LIMITED
ABN: 91 914 874 903**

Responsibilities of Directors 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 and have determined that the basis of preparation described in note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine 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 the company'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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibility 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 auditors' 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.

Name of Firm: Courtney & Co Chartered Accountants
Chartered Accountants

Name of Partner: _____
Peter William Metcalfe

Address: Suite 32 Level 2, 44 Miller Street North Sydney New South Wales 2060

Dated this day of 14 April, 2021