

Australian Institute of Administrative Law
Committee's Report

The members of the Committee (the National Executive) submit the financial report of the Australian Institute of Administrative Law Incorporated and its controlled entities for the financial year 30 June 2012.

Committee Members

The names of Committee members throughout the year and at the date of this report were:

President	Mr Robert Orr QC (elected 23 November 2011)
Vice President	Dr Jonathon Aleck (re-elected 23 November 2011)
Vice President	Ms Linda Crebbin (elected 23 November 2011)
Secretary	Ms Meghann Everett (elected 23 November 2011)
Treasurer	Mr Peter Sutherland (re-elected 23 November 2011)
Officer	Professor Robin Creyke (re-elected 23 November 2011)
Officer	Mr John Carroll (elected 23 November 2011)
Officer	Ms Alison Playford (elected 23 November 2011)
Officer	Professor John McMillan (re-elected 23 November 2011)
Officer	Ms Claressa Surtees (re-elected 23 November 2011)
Officer	Mr Cain Sibley (re-elected 23 November 2011)
Officer	Mr Michael Will (re-elected 23 November 2011)

Principal Activities

The principal activities during the financial year were to:

- Promote knowledge of and interest in Australian Commonwealth, State and Territory administrative law; and
- Provide a forum for the exchange of information and opinions on all aspects of administrative law and administrative practices.

Significant Changes

No significant change in the nature of these activities occurred during the year.

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Operating Result for the year ended 30 June 2012

The Consolidated profit amounted to \$79283.48 (2011: \$53760).

The National Chapter profit amount to \$77119 (2011: \$38453).

Signed in accordance with a resolution of the Members of the Committee.

.....
Committee Member

.....
Committee Member

Dated this day of November 2012

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Statement by Members of the Committee

In the opinion of the Committee the financial report as set out on pages 4 to 17:

- Presents a true and fair view of the financial position of the Australian Institute of Administrative Law and its controlled entities as at 30th June 2012 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

- At the date of this statement, there are reasonable grounds to believe that Australian Institute of Administrative Law and its controlled entities will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the Committee and is signed for and on behalf of the Committee by:

.....
Committee Member

.....
Committee Member

Dated this day of November 2012

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Statement of Comprehensive Income for the year ended 30 June 2012

	NOTE	Consolidated 2012 \$	Consolidated 2011 \$	National Chapter 2012 \$	National Chapter 2011 \$
Revenue from ordinary activities	2	226,218	190,782	212,624	132,137
Seminars/conference expense		(6,283)	(3,512)	(6,283)	(975)
IPAA Secretariat expenses		(28,294)	(28,236)	(28,294)	(28,236)
Stationery/Postage		(753)	(1,630)	(753)	(1,630)
AIAL forum		(11,259)	(12,732)	(11,259)	(12,732)
National Conference		(72,499)	(59,727)	(62,269)	(28,653)
Administration expenses		(10,580)	(14,387)	(10,580)	(14,173)
Projects & sponsorship		(4,185)	(10,037)	(2,985)	(5,000)
CAL payments		(9,681)	-	(9,681)	-
Other expenses from ordinary activities		(3,400)	(6,761)	(3,400)	(2,285)
Profit (Loss) from operations		<u>79,283</u>	<u>53,760</u>	<u>77,119</u>	<u>38,453</u>

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Statement of Financial Position as at 30 June 2012

	NOTES	Consolidated 2012 \$	Consolidated 2011 \$	National Chapter 2012 \$	National Chapter 2011 \$
Current Assets					
Cash and Cash Equivalent	4	364,500	330,242	219,532	194,120
Trade and Other Receivables		0	2,399	0	1,904
Other assets	5	5,374	3,709	5,374	3,709
TOTAL ASSETS		<u>369,874</u>	<u>336,350</u>	<u>224,906</u>	<u>199,733</u>
Current Liabilities					
Trade , Other Payables & Unearned income	6	69,353	115,109	69,203	115,039
TOTAL LIABILITIES		<u>69,353</u>	<u>115,109</u>	<u>69,203</u>	<u>115,039</u>
NET ASSETS		<u>300,520</u>	<u>221,241</u>	<u>155,703</u>	<u>84,694</u>
EQUITY					
Retained Profits		300,522	221,241	155,703	84,694
TOTAL EQUITY		<u>300,522</u>	<u>221,241</u>	<u>155,703</u>	<u>84,694</u>

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Statement of Changes in Equity for the year ended 30 June 2012

	Consolidated	Consolidated	National Chapter	National Chapter
	Retained Earnings	Total	Retained Earnings	Total
	\$	\$	\$	\$
Balance at 1 July 2011	221,241	221,241	84,694	84,694
Profit from operation	79,283	79,283	77,119	77,119
Funds Transferred to WA	-	-	(5,000)	(5,000)
Funds Transferred to QLD	-	-	(1,110)	(1,110)
Balance at 30 June 2012	<u>300,524</u>	<u>300,524</u>	<u>155,703</u>	<u>155,703</u>

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Statement of Cash Flows for the year ended 30 June 2012

	NOTES	Consolidated 2012 \$	Consolidated 2011 \$	National Chapter 2012 \$	National Chapter 2011 \$
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts from members and customers		226,218	190,782	212,624	132,137
Interest received		7,752	6,007	5,004	2,754
Payments to suppliers		(199,712)	(87,307)	(192,217)	(46,763)
Net cash provided by / (used) by operating activities	11	<u>34,258</u>	<u>109,482</u>	<u>25,411</u>	<u>88,128</u>
Net increase in cash held		34,258	109,482	25,411	88,128
Cash and cash equivalents at the beginning of the year		330,242	220,760	194,120	105,992
Cash and cash equivalent at the end of the year	4	<u><u>364,500</u></u>	<u><u>330,242</u></u>	<u><u>219,531</u></u>	<u><u>194,120</u></u>

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Urgent Issues Group Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Associations Incorporation Act 1991 (ACT).

The financial report covers Australian Institute of Administrative Law as an individual parent entity and Australian Institute of Administrative Law and controlled entities as an economic entity. The Australian Institute of Administrative Law Incorporated is an association incorporated in the Australian Capital Territory under the Associations Incorporation Act 1991 (ACT).

The financial report of the association as an individual entity complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

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

Basis of Preparation

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified 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.

(a) Principles of Consolidation

A controlled entity is any entity controlled by the Australian Institute of Administrative Law. Control exists where Australian Institute of Administrative Law has the capacity to dominate the decision-making in relation to the financial and operating policies of another entity that operates with Australian Institute of Administrative Law to achieve the objectives of the Australian Institute of Administrative Law.

All inter-entity balances and transactions between entities in the economic entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where a controlled entity has entered or left the economic entity during the year, its operating results have been included from the date controlled was obtained or up to the date control ceased.

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

Note 1 : Statement of Significant accounting Policies(Cont'd)

(b) Income Tax

No taxation has been provided for as the association is exempt from income tax under Section 50-5 of the Income Tax Assessment Act 1997.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(d) Revenue

Revenue from the sale of goods is recognised upon delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

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

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expenses. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(f) Financial Instruments

Recognition

Financial instruments are initially measured at cost on trade date, which includes transactions costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

Note 1 : Statement of Significant accounting Policies(Cont'd)

(f) Financial Instruments(Cont'd)

Financial liabilities

Non-derivative financial liabilities are recognised at amortised costs, comprising original debt less principal payments and amortisation.

Impairment

At each reporting date, the association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement

(g) Comparative Figures

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

(h) Critical accounting estimates and judgements

The directors evaluate estimates and judgements 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 association.

	Consolidated 2012 \$	Consolidated 2011 \$	National Chapter 2012 \$	National Chapter 2011 \$
Note 2 : Revenue				
Operating activities				
Members subscription	44,061	43,822	44,061	43,822
Seminars and conferences	77,337	102,536	66,491	47,144
Interest received	7,752	6,007	5,004	2,754
Other	6,314	8,987	6,314	8,987
CAL payments	90,755	29,430	90,755	29,430
Total Revenue	<u>226,218</u>	<u>190,782</u>	<u>212,624</u>	<u>132,137</u>

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

	Consolidated 2012 \$	Consolidated 2011 \$	National Chapter 2012 \$	National Chapter 2011 \$
Note 3 : Auditors' Remuneration				
Remuneration for audit services	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Note 4 : Cash and Cash Equivalents				
Cash at bank	159,050	214,911	76,211	139,120
Cash on hand	1,429	135	1,321	-
Cash on deposit	204,021	115,196	142,000	55,000
	<u><u>364,500</u></u>	<u><u>330,242</u></u>	<u><u>219,532</u></u>	<u><u>194,120</u></u>

The effective interest rate on short-term bank deposits was 3.8%;
these deposits have an average maturity of 183 days.

Reconciliation of Cash

Cash at the end of the financial year as shown in the cash flow
statement is reconciled to items in the balance sheet as follows:

Cash and Cash Equivalent	<u>364,500</u>	<u>330,242</u>	<u>219,532</u>	<u>194,120</u>
--------------------------	----------------	----------------	----------------	----------------

Note 5 : Other Assets

CURRENT

Prepayments	<u>5,374</u>	<u>3,709</u>	<u>-</u>	<u>3,709</u>
-------------	--------------	--------------	----------	--------------

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

	Consolidated 2012 \$	Consolidated 2011 \$	National Chapter 2012 \$	National Chapter 2011 \$
Note 6 : Trade, Other Payables & Unearned Income				
CURRENT				
Accrued expenses	7,320	7,000	7,320	7,000
Other Payables	3,024	6,432	3,024	6,362
Prepaid National Conference Registrations	39,335	31,727	39,335	31,727
Memberships in Advance	19,674	22,563	19,674	22,563
Unearned Licence Fees - CAL	-	47,387	-	47,387
	<u><u>69,353</u></u>	<u><u>115,109</u></u>	<u><u>69,353</u></u>	<u><u>115,039</u></u>

Note 8: Events Subsequent to Reporting Date

No matters or circumstances have arisen since the end of the financial year, which significantly affected the Australian Institute of Administrative Law and its controlled entities or may significantly affect the operations, the results of those operations, or the state of affairs in subsequent financial years.

Note 9: Segment Reporting

The association and controlled entity operates in one business and geographical segment being the promotion of knowledge in administrative law in Australia.

Note 10: Related Parties

There were no related party transactions during the financial year.

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

	Consolidated 2012 \$	Consolidated 2011 \$	National Chapter 2012 \$	National Chapter 2011 \$
Note 11 : Cash Flow Information				
Reconciliation of Cash Flow Operations with Loss from Ordinary Activities after Income Tax				
Profit from operations	79,283	53,760	77,119	38,453
Changes in assets and liabilities				
Increase in Funds Transferred from TAS	-	-	-	2,318
Decrease in Funds Transferred to Qld	-	-	(1,110)	-
Decrease in Funds Transferred to WA	-	-	(5,000)	(4,500)
Decrease in trade and other receivables	2,399	11,621	1,903	11,830
(Increase)/Decrease in other assets	(1,665)	3,402	(1,815)	3,402
(Decrease)/Increase in trade and other payables	(3,088)	(8,443)	(3,018)	(12,518)
(Decrease)/Increase in unearned revenue	(42,672)	49,144	(42,668)	49,143
	<u>34,258</u>	<u>109,484</u>	<u>25,411</u>	<u>88,128</u>

The association has no credit stand-by or financing facilities in place.

There were no non-cash financing or investing activities during the period.

Note 11: Financial Instruments

(a) Financial Risk Management

The association's financial instruments consist mainly of deposits with bank, accounts receivable and accounts payable.

Financial Risks

The main risks the association is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. For further details on interest rate risk refer to Note 11 (b).

Liquidity Risk

The association manages liquidity risk by monitoring forecast cash flows.

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

Note 12 : Financial Instruments (Cont'd)

(a) Financial Instruments(Cont'd)

Financial liabilities

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the association.

(b) Interest Rate Risk (Consolidated)

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing 1 to 5 Years		Non Interest Bearing	
	2012	2011	2012	2011	2012	2011	2012	2011
Financial Assets								
Cash on Hand	N/A	N/A	-	-	-	-	1,429	135
Cash at Bank	1.0%	1.0%	159,050	214,911	-	-	-	-
Investment	0.0%	6.0%	-	-	204,021	115,195	-	-
Trade & Other Receivables	N/A	N/A	-	-	-	-	-	2,398
Total Financial Assets			159,050	214,911	204,021	115,195	1,429	2,533
Financial Liabilities								
Trade, Other Creditors and Accruals	N/A	N/A	-	-	-	-	-	109,623

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

(b) Interest Rate Risk (National Chapter)

The association's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate Maturing 1 to 5 Years		Non Interest Bearing	
	2012	2011	2012	2011	2012	2011	2012	2011
Financial Assets								
Cash at Bank	1.0%	1.0%	76,211	139,120	-	-	-	-
Trade & Other Receivables	N/A	N/A	-	-	-	-	-	1,905
Investment			-	-	142,000	55,000	-	-
Total Financial Assets			76,211	139,120	142,000	55,000	0	1,905
Financial Liabilities								
Trade, Other Creditors & Accruals	N/A	N/A	-	-	-	-	69,353	115,039
			-	-	-	-	69,353	115,039

(c) Net Fair Values

The net fair values of listed investments have been valued at the quoted market bid price at balance date adjusted for transaction costs expected to be incurred. For other assets and other liabilities the net fair value approximates their carrying value. No financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have not been written down as the association intends to hold these assets to maturity.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the balance sheet and in the notes to the financial statements.

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

Note 13 : State by State Comparison

Income & Expenses	ACT	NSW	SA	VIC	WA	QLD	Consolidated
Total Income	212,001	6,227	456	6,940	149	446	226,219
Total Expenses	134,882	677	78	3,711	5,463	2,124	146,935
Surplus (Deficit)	77,119	5,550	378	3,229	- 5,314	- 1,678	79,284
Opening Retained Earnings	84,694	60,566	9,344	59,185	3,560	3,889	221,238
Surplus / (Deficit)	77,119	5,550	378	3,229	- 5,314	- 1,678	79,284
Funds Transfer - QLD	- 1,110					1,110	
Funds Transfer - WA	- 5,000	-	-	-	5,000	-	-
Closing Retained Earnings	155,703	66,116	9,722	62,414	3,246	3,321	300,522
Balance Sheet	ACT	NSW	SA	VIC	WA	QLD	Consolidated
Cash at Bank	76,211	66,781	1,974	8,527	2,516	3,041	159,050
Cash on Hand	1,321	-	32	-	-	76	1,429
Cash on Deposit	142,000	-	7,715	54,307	-	-	204,022
Total Cash	219,532	66,781	9,721	62,834	2,516	3,117	364,501
Other Receivables	ACT	NSW	SA	VIC	WA	QLD	Consolidated
Sundry Debtors	-	-	-	-	730	204	934
Other Assets	ACT	NSW	SA	VIC	WA	QLD	Consolidated
Prepayments	5,374	-	-	-	-	-	5,374
Total	5,374	-	-	-	-	-	5,374
Other Payables							
Current Liabilities	69,203	665	-	420	-	-	70,288
Total	69,203	665.00	-	420.00	-	-	70,288
Net Assets	155,703	66,116	9,721	62,414	3,246	3,321	300,521

**Australian Institute of Administrative Law
Incorporated and Controlled Entities**

Notes to the Financial Statements For the Year Ended 30 June 2012

Note 14: Controlled Entities

(a) Controlled Entities	Percentage owned (%)	
	2012	2011
AIAL National Chapter	100	100
AIAL New South Wales Chapter	100	100
AIAL Queensland Chapter	100	100
AIAL Victoria Chapter	100	100
AIAL South Australia Chapter	100	100
AIAL Western Australia Chapter	100	100

(b) Controlled Entities Acquired

The association did not acquire any entities in the 2012/2011 financial year.

Note 16: Association Details

The principal place of business of the association is:

Australian Institute of Administrative Law Incorporated
Suite 26, 84 Ainsworth Street
Mawson ACT 2607