

# Arts Law Centre of Australia

ABN 71 002 706 256

## Financial Statements

For the Year Ended 31 December 2014



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**For the Year Ended 31 December 2014**

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## Directors' Report

31 December 2014

The directors present their report on Arts Law Centre of Australia for the financial year ended 31 December 2014.

### 1. General information

#### Information on directors

The names of each person who has been a director during the year and to the date of this report are:

The Hon. Justice Margaret Beazley AO President

Qualifications LLB (Hons), LLD, University of Sydney

Experience President of NSW Court of Appeal

The Hon. Peter Cadden Vice President

Heerey AM QC

Qualifications BA LLB

Experience Barrister and (Ret.) Federal Court Judge

Navid Bahadori Treasurer, appointed 1 February 2015

Qualifications LLB LLM Bachelor of Commerce (Accounting)

Experience MD Broken Yellow - film production & creative services

Steven John Miller resigned 27 October 2014

Qualifications B Bus, CA

Experience Chartered Accountant

Andrew Wiseman

Qualifications LLB (Hons), LLM

Experience Partner, Allens Linklaters

Peter Gerard Griffin resigned 13 October 2014

Qualifications BBus, FFin

Experience Divisional Manager, Corporate Affairs, Strategy and Environment, Toyota Australia

Anita Jacoby

Qualifications Graduate Diploma in Media, Australian Film, TV & Media School, MAICD

Experience Media Executive & Managing Director, ITV

Tania Carol Chambers resigned 18 January 2015

Qualifications BA (Hons), LLB, FAICB

Experience Producer and Consultant

Michelle Gibbings appointed 27 October 2014

Qualifications B.Business – Communications; B. Commerce

Experience Strategy, compliance, governance & risk, change & program management

## Directors' Report

31 December 2014

### Information on directors continued

Wayne Quilliam	appointed 15 April 2014
Qualifications	Photographer
Experience	Photographic artist, curator

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

### Principal activities

The principal activity of Arts Law Centre of Australia during the financial year was the provision of legal services to artists and arts organisations.

No significant changes in the nature of the Company's activity occurred during the financial year.

### Mission and objectives

The Company's objectives is to foster a society that promotes justice for artists and values their creative contribution.

The Company's mission is to provide low cost, practical, specialist legal advice and services (including advocacy, publications and education) to equip artists and the cultural sector with sufficient business and legal skills and an understanding of their legal rights to achieve financial security and carry out their arts practice in a non-exploitative and culturally aware environment.

### Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- Legal advice
- Legal resource materials
- Referrals to legal professionals
- Advocacy on law and policy reform for artists
- Legal resources to Indigenous communities and artists

### Performance measures

The following measures are used within the Company to monitor performance:

- Number of telephone advices provided
- Number of document review services provided
- Number of subscribers to our service
- Number of educational seminars and workshops provided and attendances at each
- Number of publications produced and available for sale or distribution
- Number of Aboriginal and Torres Strait Islander clients assisted

## Directors' Report

31 December 2014

### Members guarantee

Arts Law Centre of Australia is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$ 100 for members, subject to the provisions of the company's constitution.

At 31 December 2014 the collective liability of members was \$ 700 (2013: \$ 900).

### Meetings of directors

During the financial year, 4 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
The Hon. Justice Margaret Beazley AO	4	4
The Hon. Peter Cadden Heerey AM QC	4	2
Navid Bahadori	-	-
Steven John Miller	4	3
Andrew Wiseman	4	3
Peter Gerard Griffin	3	2
Anita Jacoby	4	3
Tania Carol Chambers	4	2
Michelle Gibbings	1	1
Wayne Quilliam	3	2

Signed in accordance with a resolution of the Board of Directors:



Director: .....

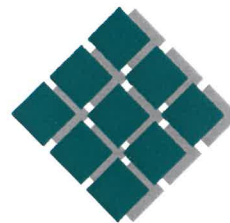
Navid Bahadori

Dated 20 March 2015

# W. W. Vick & Co.

Chartered Accountants

ABN 14 568 923 714



20 March 2015

The Board of Directors,  
Arts Law Centre of Australia  
ABN 71 002 706 256

Dear Directors,

**Auditor Independence Declaration under S.60-40 of the *Australian Charities and Not-for-profits Commission Act 2012***

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2014, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'P Vlahopol', written in a cursive style.

**W W VICK & CO**

Peter P Vlahopol – Partner

Sydney

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PO Box 20037, World Square, NSW 2002  
Phone : 02 9266 0881 Fax : 02 9266 0886



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scheme approved  
under Professional  
Standards Legislation

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 31 December 2014**

	2014	2013
Note	\$	\$
Revenue	159,199	122,589
Other income	1,301,742	882,618
Employee benefits expense	(896,558)	(775,400)
Depreciation and amortisation expense	(27,018)	(25,919)
Write-off of website cost	(14,566)	-
Other expenses	(313,756)	(244,589)
<b>Surplus/(Deficit) before income tax</b>	<b>209,043</b>	<b>(40,701)</b>
Income tax expense	-	-
<b>Total comprehensive income for the year</b>	<b>209,043</b>	<b>(40,701)</b>

## Statement of Financial Position

31 December 2014

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
CURRENT ASSETS			
Cash and cash equivalents	6	754,171	578,547
Trade and other receivables	7	42,631	58,626
Inventories	8	6,424	9,968
Other assets	11	2,815	2,916
TOTAL CURRENT ASSETS		806,041	650,057
NON-CURRENT ASSETS			
Property, plant and equipment	9	16,582	15,635
Intangible assets	10	52,192	32,650
TOTAL NON-CURRENT ASSETS		68,774	48,285
TOTAL ASSETS		874,815	698,342
<b>LIABILITIES</b>			
CURRENT LIABILITIES			
Trade and other payables	12	63,184	39,123
Borrowings	13	-	9,954
Current tax liabilities		15,747	31,706
Employee benefits	16	151,298	111,305
Unearned membership subscriptions		35,553	33,024
Unearned income		5,455	5,455
Grants in advance	14	152,160	276,811
Unexpended grants	15	39,600	-
TOTAL CURRENT LIABILITIES		462,997	507,378
NON-CURRENT LIABILITIES			
Employee benefits	16	11,809	-
TOTAL NON-CURRENT LIABILITIES		11,809	-
TOTAL LIABILITIES		474,806	507,378
NET ASSETS		400,009	190,964
<b>EQUITY</b>			
Retained earnings		400,009	190,966
TOTAL EQUITY		400,009	190,966

The accompanying notes form part of these financial statements.



**Arts Law Centre of Australia**

ABN 71 002 706 256

**Statement of Changes in Equity**  
**For the Year Ended 31 December 2014**

**2014**

	<b>Retained Earnings</b>	<b>Total</b>
<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2014</b>	<b>190,966</b>	<b>190,966</b>
Surplus for the year	<b>209,043</b>	<b>209,043</b>
<b>Balance at 31 December 2014</b>	<b>400,009</b>	<b>400,009</b>

**2013**

<b>Balance at 1 January 2013</b>	<b>231,667</b>	<b>231,667</b>
Surplus for the year	<b>(40,701)</b>	<b>(40,701)</b>
<b>Balance at 31 December 2013</b>	<b>190,966</b>	<b>190,966</b>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

For the Year Ended 31 December 2014

	2014	2013
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	1,500,997	1,315,740
Payments to suppliers and employees	(1,268,762)	(1,282,280)
Interest received	20,892	15,838
Interest paid	(5,478)	-
Net cash provided by/(used in) operating activities	18 <u>247,649</u>	<u>49,298</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	<u>(62,072)</u>	(6,610)
Net cash used by investing activities	<u>(62,072)</u>	(6,610)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payment of finance lease liabilities	<u>(9,954)</u>	(9,954)
Net cash used by financing activities	<u>(9,954)</u>	(9,954)
Net increase/(decrease) in cash and cash equivalents held	175,623	32,734
Cash and cash equivalents at beginning of year	578,547	545,813
Cash and cash equivalents at end of financial year	6 <u><u>754,170</u></u>	<u><u>578,547</u></u>

## **Notes to the Financial Statements**

### **For the Year Ended 31 December 2014**

The financial report covers Arts Law Centre of Australia as an individual entity. Arts Law Centre of Australia is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Arts Law Centre of Australia is Australian dollars.

The financial report was authorised for issue by the Committee on 20 March 2015.

Comparatives are consistent with prior years, unless otherwise stated.

#### **1 Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Australian Charities and Not-for-Profits Commission Act 2012*.

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.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

#### **2 Summary of Significant Accounting Policies**

##### **(a) Income Tax**

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

##### **(b) Leases**

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

##### **(c) Revenue and other income**

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria for each of the activities noted below have been met.

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

##### **Grant revenue**

Grant revenue is recognised in the statement of profit or loss and other comprehensive income when the entity obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

When grant revenue is received whereby the entity incurs an obligation to deliver specified services, economic value directly back to the contributor or fulfil specified conditions, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

## Notes to the Financial Statements

For the Year Ended 31 December 2014

### 2 Summary of Significant Accounting Policies continued

#### Donations

Donations and bequests are recognised as revenue when received.

#### Royalties

Royalties are recognised as revenue when the amount received from the agency collects the royalties.

#### Interest revenue

Interest is recognised using the effective interest method.

#### Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

#### Other income

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

#### (d) 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 payable are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

#### (e) Inventories

Inventories comprise goods for resale and goods for distribution at no or nominal consideration as part of the Company's activities. Inventories held for sale are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received.

Goods held for distribution are measured at cost, adjusted for loss of service potential, if any.

#### (f) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses.

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.

## Notes to the Financial Statements

For the Year Ended 31 December 2014

### 2 Summary of Significant Accounting Policies continued

#### (f) Property, Plant and Equipment continued

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

##### Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	10 %
Office Equipment	10 % - 40 %
Computer Equipment	33.3 %

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

#### (g) Financial instruments

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

##### *Impairment of financial assets*

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

##### *Financial assets at amortised cost*

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

## Notes to the Financial Statements

For the Year Ended 31 December 2014

### 2 Summary of Significant Accounting Policies continued

#### (h) 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 insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the statement of cash flows and are presented within current liabilities on the statement of financial position.

#### (i) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than twelve months after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Employee benefits are presented as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for measurement purposes under AASB 119.

### 3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

#### Key estimates - provision for employee benefits

Provision for employee benefits payable after 12 months from the reporting date are based on salary levels as at 31 December 2014, experience of employee departures and periods of service. The amount of these provisions would change should any of these factors change in the next 12 months.

#### Economic Dependence

Arts Law Centre of Australia is dependent on government grant funding for the majority of its revenue used to operate the business. On 3 March 2015 Arts Law submitted an Expression of Interest (EOI) in relation to the Australia Council for the Arts' new 6 year funding regime. A successful EOI will result in a further application for funding to be submitted in September 2015. The Australia Council funding forms a significant part of Arts Law's overall funding. At the date of this report the directors have no reason to believe the government grant funding will not continue to support Arts Law Centre of Australia, although grant funding for Artist in the Black service is insecure.

## Notes to the Financial Statements

For the Year Ended 31 December 2014

### 4 Revenue and Other Income

#### Revenue from continuing operations

	2014	2013
	\$	\$
Revenue		
- other interest received	20,737	15,838
- donations	59,602	32,874
- member subscriptions	78,860	73,876
<b>Total Revenue</b>	<b>159,199</b>	<b>122,588</b>
Other Income		
Royalties	236	72
Recoveries	23,251	23,050
Fundraising income	162,398	13,140
Other income	87,177	61,353
Grant Revenue	(a) 1,028,679	785,004
<b>Total Other Income</b>	<b>1,301,741</b>	<b>882,619</b>
<b>Total Revenue and Other Income</b>	<b>1,460,940</b>	<b>1,005,207</b>

#### (a) Grant revenue

##### Grant revenue received from:

Australia Council for the Arts	442,622	241,294
Attorney-Generals Department	180,000	-
Ministry for the Arts	30,000	104,560
Screen Australia	25,000	50,000
Arts NSW	125,214	125,214
Arts Victoria	50,000	50,000
Arts Queensland	50,000	50,000
Department of Aboriginal Affairs WA	26,400	36,000
Department of Arts and Museums NT	25,000	25,000
Department of Culture and the Arts WA	15,000	15,000
Arts ACT	10,000	7,000
Arts Tasmania	7,000	7,000
Film Victoria	5,000	5,000
Arts SA	4,443	4,335
Screen Territory	4,000	-
Phonographic Performance Co of Australia	15,000	15,000
Copyright Agency Limited	12,000	49,600
Arts Access Australia	2,000	-
<b>Total grant revenue</b>	<b>1,028,679</b>	<b>785,003</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2014

### 5 Result for the Year

#### (a) Expenses

	2014	2013
	\$	\$
Depreciation and Amortisation expense	27,018	25,919
Write-off of website cost	14,565	-
Goods held for distribution expensed during the year	3,320	2,935
Employee benefits expense	896,558	775,400

### 6 Cash and cash equivalents

Cash at bank in hand	290,081	258,606
Short-term bank deposits	464,090	319,941
	<u>754,171</u>	<u>578,547</u>

### 7 Trade and other receivables

#### CURRENT

Trade receivables	41,595	57,435
Accrued revenue	1,036	1,191
<b>Total current trade and other receivables</b>	<u>42,631</u>	<u>58,626</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances..

### 8 Inventories

#### CURRENT

At cost:

Goods held for distribution	<u>4,374</u>	<u>7,647</u>
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At net realisable value:

Goods held for sale	<u>2,050</u>	<u>2,321</u>
	<u><u>6,424</u></u>	<u><u>9,968</u></u>



## Notes to the Financial Statements

For the Year Ended 31 December 2014

### 9 Property, plant and equipment

#### PLANT AND EQUIPMENT

	2014	2013
	\$	\$
Plant and equipment		
At cost	95,820	81,848
Accumulated depreciation	(79,238)	(66,213)
<b>Total plant and equipment</b>	<b>16,582</b>	<b>15,635</b>
Leasehold Improvements		
At cost	21,390	21,390
Accumulated amortisation	(21,390)	(21,390)
<b>Total plant and equipment</b>	<b>16,582</b>	<b>15,635</b>
<b>Total property, plant and equipment</b>	<b>16,582</b>	<b>15,635</b>

### 10 Intangible Assets

Patents, trademarks and other rights		
Cost	6,870	6,870
Accumulated amortisation and impairment	(2,778)	(2,143)
<b>Net carrying value</b>	<b>4,092</b>	<b>4,727</b>
Website development		
Cost	48,100	66,791
Accumulated amortisation and impairment	-	(38,868)
<b>Net carrying value</b>	<b>48,100</b>	<b>27,923</b>
<b>Total Intangibles</b>	<b>52,192</b>	<b>32,650</b>

### 11 Other non-financial assets

CURRENT		
Prepayments	2,815	2,917

### 12 Trade and other payables

CURRENT		
Trade payables	18,016	4,122
Employee benefits	26,827	21,430
Sundry payables and accrued expenses	18,138	13,180
Corporate credit card	203	391
	<b>63,184</b>	<b>39,123</b>

## Notes to the Financial Statements

For the Year Ended 31 December 2014

<b>13</b>	<b>Borrowings</b>		
		<b>2014</b>	<b>2013</b>
		<b>\$</b>	<b>\$</b>
	CURRENT		
	Unsecured liabilities:		
	Chattel Mortgage	-	9,954
	<b>Total current borrowings</b>	<b>-</b>	<b>9,954</b>
<b>14</b>	<b>Grants in advance</b>		
	Australia Council for the Arts	122,160	221,311
	Arts Queensland	-	30,000
	Screen Australia	-	20,000
	Attorney-General Office	30,000	-
	Other	-	5,500
		<b>152,160</b>	<b>276,811</b>
<b>15</b>	<b>Unexpended Grants</b>		
	Ministry for the Arts	30,000	-
	Department of Aboriginal Affairs Western Australia	9,600	-
	<b>Total</b>	<b>39,600</b>	<b>-</b>
<b>16</b>	<b>Employee Benefits</b>		
	Current liabilities		
	Long service leave	44,327	37,471
	Annual leave	106,971	73,834
		<b>151,298</b>	<b>111,305</b>
	Non-current liabilities		
	Long service leave	11,809	-
<b>17</b>	<b>Leasing Commitments</b>		
<b>(a)</b>	<b>Operating leases</b>		
	Minimum lease payments		
	not later than one year	10,730	10,730
	between one year and five years	14,765	25,495
		<b>25,495</b>	<b>36,225</b>

Operating lease commitments are in respect of the lease of the premise from which the company operates in.

## Notes to the Financial Statements

For the Year Ended 31 December 2014

### 18 Cash Flow Information

#### (a) Reconciliation of cash

	2014	2013
	\$	\$
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Cash and cash equivalents	754,171	578,547
Reconciliation of net income to net cash provided by operating activities:		
Surplus for the year	209,043	(40,701)
Cash flows excluded from profit attributable to operating activities		
Non-cash flows in profit:		
- amortisation	28,558	14,091
- depreciation	13,025	11,828
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	15,996	30,832
- (increase)/decrease in prepayments	104	1,362
- (increase)/decrease in inventories	3,544	(248)
- increase/(decrease) in trade and other payables	8,100	(8,034)
- increase/(decrease) in unexpended grants	(85,051)	(51,060)
- increase/(decrease) in unearned income	2,529	76,197
- increase/(decrease) in provisions	51,801	15,031
Cashflow from operations	<u>247,649</u>	<u>49,298</u>

### 19 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 100 each towards meeting any outstandings and obligations of the Company. At 31 December 2014 the number of members was 7 (2013: 9).

### 20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2014 (31 December 2013: None).

### 21 Events Occurring After the Reporting Date

The financial report was authorised for issue on 20 March 2015 by the Board of Directors.

## **Notes to the Financial Statements**

**For the Year Ended 31 December 2014**

### **21 Events Occurring After the Reporting Date continued**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

## **Directors' Declaration**

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 18, are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012* and:
  - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
  - b. give a true and fair view of the financial position as at 31 December 2014 and of the performance for the year ended on that date of 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.



Director .....

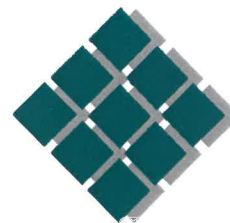
Navid Bahadori

Dated 20 March 2015

# W. W. Vick & Co.

Chartered Accountants

ABN 14 568 923 714



## Arts Law Centre of Australia

ABN 71 002 706 256

### Independent Audit Report to the members of Arts Law Centre of Australia

#### Report on the Financial Report

We have audited the accompanying financial report of Arts Law Centre of Australia, which comprises the statement of financial position as at 31 December 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the director's declaration.

#### *Management's Responsibility for the Financial Report*

Management is 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* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

#### ***Additional Scope Pursuant to the Charitable Fundraising Act 1991***

In addition, our audit report has been prepared for management in accordance with Section 24(2) of the *Charitable Fundraising Act (NSW) 1991*. Accordingly we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the *Corporations Act 2001*. These additional procedures included obtaining an understanding of the internal control structure for fund raising appeal activities and examination, on a test basis, of evidence supporting compliance with the accounting and associated record keeping requirements for fundraising appeal activities pursuant to the *Charitable Fundraising Act (NSW) 1991* and *Regulations*. It should be noted that the accounting records and data relied upon for reporting on fundraising appeal activities are not continuously audited and do not necessarily reflect after the event accounting adjustments and the normal period end financial adjustments for such matters as accrual, prepayments, provisioning and valuation necessary for period end financial statement preparation. The performance of our audit included a review of internal controls for the purpose of determining the appropriate audit procedures to enable an opinion to be expressed on the financial statements. The review is not a comprehensive review of all those systems or of the system taken as a whole and is not designed to uncover all weaknesses in those systems. The audit opinion expressed in this report pursuant to the *Charitable Fundraising (NSW) Act 1991* and *Regulations* has been formed on the above basis.

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

*Independence*

In conducting our audit, we have complied with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

**Qualification**

It is not always practicable for management to establish accounting control over all form of donations prior to receipt of these funds and accordingly it is not possible for our examination to include procedures which extend beyond the amounts of such income recorded in the accounting records of the trust. In respect to the qualification above, based on our review of the internal controls, nothing has come to our attention, which would cause us to believe that the internal controls over income from fundraising and donations by the Trust are not appropriate.

**Qualified Opinion pursuant to the Australian Charities and Not-for-Profits Commission Act 2012**

In our opinion, except for the effects, if any of the qualification set out above, the financial report of Arts Law Centre of Australia is in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) giving a true and fair view of the trust's financial position as at 31 December 2014 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-profits Commission Regulations 2013*; and

**Qualified Opinion pursuant to the Charitable Fundraising (NSW) Act 1991**

In our opinion, except for the effects, if any of the qualification set out above:

- (a) The financial report of Arts Law Centre of Australia gives a true and fair view of the financial result of fundraising appeal activities for the financial year ended 31 December 2014;
- (b) The financial report has been properly drawn up, and the associated records have been properly kept for the period 1 January 2014 to 31 December 2014, in accordance with the Charitable Fundraising (NSW) Act 1991 and its Regulations;
- (c) Money received as a result of fundraising appeal activities conducted during the period from 1 January 2014 to 31 December 2014 has been properly accounted for and applied in accordance with the Charitable Fundraising (NSW) Act 1991 and its Regulations; and
- (d) There are reasonable grounds to believe that Arts Law Centre of Australia will be able to pay its debts as and when they fall due.

**W W VICK & CO**  
**Chartered Accountants**

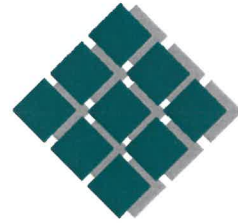


Peter Vlahopol – Partner  
Sydney  
20 March 2015

# W. W. Vick & Co.

Chartered Accountants

ABN 14 568 923 714



Arts Law Centre of Australia

ABN 71 002 706 256

## DISCLAIMER

For the year ended 31 December 2014

The additional financial data presented on pages 23-24 is in accordance with the books and records of the Company which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 31 December 2014. It will be appreciated that our statutory audit did not cover all details of the additional financial data. Accordingly, we do not express an opinion on such financial data and we give no warranty of accuracy or reliability in respect of the data provided. Neither the firm nor any member or employee of the firm undertakes responsibility in any way whatsoever to any person (other than Arts Law Centre of Australia) in respect of such data, including any errors of omissions therein however caused.

W W VICK & CO

A handwritten signature in blue ink, appearing to read 'P Vlahopol', is written over a light blue horizontal line.

Peter P Vlahopol – Partner

Sydney

20 March 2015

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