

ARTS LAW CENTRE OF AUSTRALIA

ABN 71 002 706 256

**FINANCIAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2023**



ARTS LAW CENTRE OF AUSTRALIA
ABN 71 002 706 256

FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

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FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

CORPORATE INFORMATION

Directors

The Honourable Justice John Robertson Sackar
Andrew Wiseman
Sarah Kwok
Navid Bahadori
Debra Camden
Dr. Andrew Lu AM
Tina Baum
Joanna Renkin
Bobbi Murray
Brian Robinson

Registered office and principal place of business

Haymarket Creative
UTS Building 5
1-59 Quay Street
Haymarket NSW 2000

Auditors

W. W. Vick & Co.
Chartered Accountants
Level 3, 1 James Place
North Sydney NSW 2060

ARTS LAW CENTRE OF AUSTRALIA

ABN 71 002 706 256

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors present their report on Arts Law Centre of Australia ("the Company") for the financial year ended 31 December 2023.

Principal activities

The principal activity of the Company 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.

Purpose, mission, vision and organisational values

Purpose:

Strengthening value and respect for arts and culture to make a better world.

Mission:

Empower artists and creative communities through the law.

Vision:

Arts Law Centre of Australia aspires to be widely recognised as the trusted source of advice for artists and creative communities and as the preeminent authority on artist's rights and arts law in Australia.

Organisational values:

In delivering our vision, Arts Law Centre of Australia is guided by the values of excellence, accessibility, empowerment of artists, integrity, collaboration and innovation.

Strategy for achieving the objectives

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

- i) Legal advice;
- ii) Professional development, education and legal resources;
- iii) Referrals to legal professionals;
- iv) Advocacy on law and policy issues for artists; and
- v) Legal services and resources to Indigenous communities and artists.

Performance measures

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

- i) Number of telephone advices provided;
- ii) Number of document review services provided;
- iii) Number of subscribers to our service;
- iv) Number of referrals to legal and other professionals;
- v) Number of educational seminars and workshops provided and attendances at each;
- vi) Number of publications produced and available for sale or distribution; and
- vii) Number of Aboriginal and Torres Strait Islander clients assisted.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Directors' qualifications and experience

<u>Name</u>	<u>Qualifications and experience</u>
The Honourable Justice John Robertson Sackar President, elected 15 April 2019	<p>John Robertson Sackar was appointed a Judge of the Supreme Court of New South Wales in February 2011 after practising as Queen's Counsel for nearly 25 years. He graduated with a Bachelor of Laws degree in 1973 and was admitted as a solicitor in that year. He was admitted as a barrister in 1975 and graduated with a Master of Laws degree in 1976 again from the University of Sydney. He was appointed as a Queen's Counsel in 1987. Justice Sackar is a strong advocate for the Australian arts community and a keen collector of art and other objects. He is particularly passionate about protecting the moral and legal rights of artists and the special cultural integrity of Indigenous art.</p> <p>Justice Sackar joined the Arts Law Centre of Australia as President in 2019.</p>
Andrew Wiseman Vice President, elected 30 March 2009	<p>Andrew Wiseman is an intellectual property and technology lawyer with over 25 years' experience. He has built his reputation through his work for high-profile international and domestic clients across many industries on copyright, piracy, licensing, marketing, confidentiality, trade mark and many other issues. Andrew has a unique blend of litigation, intellectual property and commercial legal skills that makes him one of Australia's leading music industry lawyers. He has acted on international landmark music industry litigation and commercialisation. Sony Music, Sony/ATV Publishing, Sony Pictures, Sydney Symphony Orchestra and Orchestra Victoria together with a variety of international and local artists, managers and others in the entertainment business seek Andrew's ongoing advice and representation. In addition, clients seek Andrew's drafting and negotiation skills for their general commercial contracts, distribution agreements, recording contracts, publishing contracts and producer contracts.</p> <p>Andrew is committed to protecting artists that are vulnerable in respect of their legal rights and is dedicated to meeting the needs within Australia's arts community for practical legal advice and education and other resources to support artist's rights. Andrew has been a partner of Allens Arthur Robinson since 1995 and a director of Arts Law since 2008.</p>
Sarah Kwok Treasurer, elected 15 April 2019	<p>Sarah Kwok is an Associate Director in the KPMG Enterprise Advisory practice and leads the financial modelling and investor readiness capability within Enterprise Sydney. Sarah has 8 years' experience as a trusted advisor to high growth technology start-ups and privately owned businesses in the mid-market. Sarah has extensive experience in buy-side and sell-side financial due diligence having advised start-ups, privately owned and public business across technology, media, manufacturing and construction. She has also assisted established businesses on growth strategy and the sustainability and feasibility of new projects. Sarah holds a Bachelor of Business (Finance) and a Bachelor of Law from University of Technology and a Graduate Certificate of Accounting from Deakin University, Melbourne. Sarah is a Chartered Accountant and undergoes training on an annual basis to keep abreast of key updates in the Australian Accounting Standards.</p>

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Directors' qualifications and experience (continued)

<u>Name</u>	<u>Qualifications and experience</u>
Navid Bahadori Elected 1 February 2015	<p>Navid Bahadori is Co-Founder & Managing Director at Broken Yellow, a film production and creative services company. Navid is an Australian Legal Practitioner, accountant and has completed his Masters in Laws at Sydney University focusing on commercial and taxation law. Navid also has extensive practical experience in intellectual property law from his involvement with Broken Yellow productions.</p> <p>He started out his career in criminal law and then spent 8 years working in commercial taxation consulting working for Deloitte in Sydney and then as Regional Taxation Manager at ResMed in Australia. He has been concurrently involved with Broken Yellow for over 15 years.</p>
Debra Camden Elected 18 April 2016	<p>Deb Camden is a career communicator and consultant with more than 35 years' experience in media and communication, specialising in strategic communication planning and stakeholder engagement. The founder of a boutique communication consultancy, Deb works with organisations who want to tap into the sentiments of their key stakeholder audiences in sustainable ways. Her hallmark is designing memorable, elegant and practical solutions to complex and contentious public issues. Deb's early roles as a journalist with the Brisbane Telegraph, Managing Director of Brisbane's tourism marketing authority and Director of Queensland Events Corporation underscore her hands-on and practical approach to communication.</p> <p>Deb holds a Bachelor of Business (Communication) from QUT and a Master of Business Administration from The University of Queensland. She is a fellow of the Public Relations Institute of Australia.</p> <p>Deb has a passion for the arts, in particular, the performing arts having qualified as a teacher of tap in her early life. Deb was welcomed onto the Board of Arts Law in April 2016.</p>
Dr. Andrew Lu AM Elected 12 June 2016	<p>Andrew Lu is a solicitor specialising in general insurance, health care liability, and medical defence. A partner of HBA Legal, he represents hospitals, health practitioners, and government in civil, coronial and disciplinary matters. He is an experienced trial and appellate advocate, and also appears at inquests and inquiries. Andrew graduated LLB from the University of Western Australia, LLM from New England, and SJD from The Australian National University. He is a Fellow of the Australian Academy of Law and of ANZIIF, adjunct Senior Lecturer at UWA Law School, and a sessional Member of the State Administrative Tribunal.</p> <p>Dr Lu is also a non-executive director of the Australian Youth Orchestra, and the National Gallery of Australia Foundation. A member of the Council of the Art Gallery of Western Australia Foundation, he chairs the Fulbright Commission's WA Selection Committee, and was awarded an Order of Australia medal in 2008 and the Member of the Order of Australia in 2021.</p>

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Directors' qualifications and experience (continued)

<u>Name</u>	<u>Qualifications and experience</u>
Tina Baum Elected 26 November 2022	<p>Tina Baum, Gulumirrgin-Larrakia/Wardaman/Karajarri peoples, has over 35 years' working in Australian Museums and Gallery's. Currently the Senior Curator of Aboriginal and Torres Strait Islander Art she has worked at the National Gallery of Australia since 2005. She curated the Ever Present: First Peoples Art of Australia, 2021-24 national and international touring exhibition and the Defying Empire: 3rd National Indigenous Art Triennial, 2017.</p> <p>She's a recipient of the Australia Council for the Arts 2022-23 International Curators Program Asia Pacific Triennial x TarraWarra Biennial, the 2021-22 Art Monthly Australasia, Indigenous Voices Program (writing) as a mentor, and the Australia Council for the Arts, Arts Leaders Program, 2020-22. She is also alumni of the inaugural British Council Accelerate Programme to the UK, 2009 and the Australia Council for the Arts and the Aboriginal and Torres Strait Islander Arts Board, Emerging Curators Professional Development Program to the 52nd Venice Biennale International Art Exhibition in Venice, Italy in 2007. She is a mentor to alumni, and presented and organised the NGA and Wesfarmers Indigenous Arts Leadership and Fellowship Programs since 2010.</p>
Joanna Renkin Elected 18 April 2023	<p>Jo Renkin is a partner at Lander & Rogers and leads the national Pro Bono and Community Engagement practice and the implementation of sustainable business practices. Jo has also led the firm's reconciliation activities, including as Chair of the RAP Oversight Committee, was integral to Lander & Rogers endorsement of the Uluru Statement from the Heart and continues to lead relationships with First Nations people.</p> <p>Jo was recognised as the Lawyers Weekly Pro Bono Partner of the year in 2022, and collaborates with many social, community and legal organisations and services to address access to justice. She drives organisational transformation and adds value to strategic thinking as a board member and stakeholder. Her primary focus is to build legal capability in individuals and organisations and to achieve systemic social impact. She also promotes the empowerment of people and communities through workplace engagement initiatives.</p> <p>Prior to becoming a dedicated pro bono partner, Jo practised insurance law and has expertise in managing large and complex litigation. She also has considerable experience in class action proceedings in the Federal Court of Australia. She has a BA(Hons) LLB from Monash University. Jo joined the Board of Arts Law in April 2023.</p>
Bobbi Murray Elected 27 June 2023	<p>Bobbi Murray is a Barkindji, Ngiyampaa and Malyangapa woman from Wilcannia in far west NSW. She has been a strong advocate for Aboriginal people in the legal sector over 20 years, has worked across both the public and community sectors, spanning housing, education, health and finance whilst doing so. Bobbi is passionate working with young people and has a particular interest in the Funeral and Wills sector as well as in advocating for Aboriginal people. Bobbi is an amateur artist, wife and mother of 2 young girls named Hannah and Georgia.</p>

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Directors' qualifications and experience (continued)

<u>Name</u>	<u>Qualifications and experience</u>
Brian Robinson Elected 27 June 2023	<p>Brian Robinson has literally carved out a distinctive presence within a remarkably talented generation of contemporary Australian artists. Raised on Waiben and now Cairns-based, he has become known for his printmaking, sculpture, and public art in which he uses a variety of techniques to produce bold, innovative and distinctive works. His family are fisher folk whose Roman Catholic faith exists in synergy with traditional spirituality. Robinson's ancestral lineage extends back to the Maluyligal people of Torres Strait and the Wuthathi people from Cape York Peninsula.</p> <p>Robinson started his curatorial career at Cairns Regional Gallery where he stayed for a period of 14 years taking up positions as Exhibition Curator, Exhibition Manager and Deputy Director. He commenced his fulltime arts practice in 2010 and is currently represented by Mossenson Galleries in Perth and OneSpace in Brisbane. His work is punctuated with mischief and humour, and it exudes a joyful ebullience that is at once exciting and infectious. Navigating a distinct space-time continuum, these compelling works act as a personal mnemonic for the artist – particular in its detail, specific in its tastes – a unique assemblage of icons and emblems that channel a continued connection to the past. Robinson's work is held in major collections across the nation and internationally as well as contributing significantly to the built environment of numerous cities across the country through numerous major public art commissions since 1998.</p>

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

Directors' meetings

During the financial year, 6 meetings of the Directors (including committees of the Directors) were held. Attendances of meetings were as follows:

<u>Name of the Director</u>	<u>Eligibility</u>	<u>Attended</u>
The Honourable Justice John Robertson Sackar	6	6
Andrew Wiseman	6	5
Sarah Kwok	6	6
Navid Bahadori	6	6
Debra Camden	6	4
Dr. Andrew Lu AM	6	5
Tina Baum	6	5
Joanna Renkin	5	4
Bobbi Murray	3	1
Brian Robinson	3	2

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

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 2023 the collective liability of members was \$1,000 (2022: \$700).

Auditor's independence declaration

A copy of Auditor's Independence Declaration as required under section 60-40 of the Australian Charities and Not-for-profits Commission Act 2012 is included in page 33 of this financial report and forms part of the Directors' Report.

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



Sarah Kwok

Director

Dated: 23 April 2024

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STATEMENT OF PROFIT AND LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
Revenue	6	1,628,609	1,404,444
Other income	6	566,500	803,642
Interest income		12,657	2,427
Employee benefits expense		(1,734,188)	(1,510,292)
Depreciation and amortization expense	8	(70,144)	(66,916)
Finance cost		(5,048)	(5,437)
Other operating expenses	7	(534,073)	(590,833)
(Deficit) / surplus before income tax		(135,687)	37,035
Income tax expense	3-3	-	-
(Deficit) / surplus for the year		(135,687)	37,035
Other comprehensive income		-	-
Total comprehensive income for the year		(135,687)	37,035

ARTS LAW CENTRE OF AUSTRALIA
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023 \$	2022 \$
Assets			
Current assets			
Cash and cash equivalents	9	1,755,526	1,187,385
Trade and other receivables	10	-	4,372
Other financial assets	11	-	501,053
Prepayments		27,077	14,153
Total current assets		1,782,603	1,706,963
Non-current assets			
Plant and equipment	12	1,367	19,124
Intangible assets	13	7,805	8,149
Right-of-use assets	14	128,826	8,815
Total non-current assets		137,998	36,088
Total assets		1,920,601	1,743,051
Liabilities			
Current liabilities			
Trade and other payables	15	114,877	178,369
Lease liabilities	16	49,484	8,571
Employee benefits	17	228,655	242,651
Other liabilities	18	589,948	348,703
Total current liabilities		982,964	778,294
Non-current liabilities			
Lease liabilities	16	80,094	2,155
Employee benefits	17	45,202	14,574
Total non-current liabilities		125,296	16,729
Total liabilities		1,108,260	795,023
Net assets		812,341	948,028
Equity			
Retained surplus		812,341	948,028
Total equity		812,341	948,028

The accompanying notes form part of this financial report.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Retained surplus \$	Total equity \$
Balance as at 1 January 2022	<u>910,993</u>	<u>910,993</u>
Comprehensive income		
Surplus for the year	37,035	37,035
Other comprehensive income	-	-
Total comprehensive income	<u>37,035</u>	<u>37,035</u>
Balance as at 31 December 2022	<u>948,028</u>	<u>948,028</u>
Comprehensive income		
Deficit for the year	(135,687)	(135,687)
Other comprehensive income	-	-
Total comprehensive income	<u>(135,687)</u>	<u>(135,687)</u>
Balance as at 31 December 2023	<u>812,341</u>	<u>812,341</u>

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Inflows (Outflows) 2023 \$	Inflows (Outflows) 2022 \$
Cash flows from operating activities			
Receipts from customers, donations and grants		2,638,485	2,249,492
Interest received		12,657	2,427
Payments to suppliers and employees		(2,518,464)	(2,224,746)
Finance cost		(5,048)	(5,437)
Net cash provided by operating activities	20	127,630	21,736
Cash flows from investing activities			
Investment in term deposits		-	(1,053)
Proceeds from term deposits		501,053	-
Purchase of plant and equipment		(13,549)	-
Purchase of intangible assets		(1,145)	(300)
Net cash from (used in) investing activities		486,359	(1,353)
Cash flows from financing activities			
Repayment of lease liabilities		(45,848)	(36,435)
Net cash used in financing activities		(45,848)	(36,435)
Net increase / (decrease) in cash and cash equivalents		568,141	(16,052)
Cash and cash equivalent at the beginning of the year		1,187,385	1,203,437
Cash and cash equivalent at the end of the year	9	1,755,526	1,187,385

The accompanying notes form part of this financial report.

ARTS LAW CENTRE OF AUSTRALIA
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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

This financial report is for Arts Law Centre of Australia ("the Company") as an individual entity. Arts Law Centre of Australia is a not-for-profit company, registered and domiciled in Australia.

The functional and presentation currency of the Company is Australian dollars and all values are rounded to the nearest dollar.

The financial report for the year ended 31 December 2023 were approved and authorised for issuance by those charged with governance on 23 April 2024.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of preparation

The financial report is general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Simplified Disclosures, the Australian Charities and Not-for-profits Commission Act 2012, the Australian Charities Not-for-profits Commission Regulations 2022 and the Charitable Fundraising Act (NSW) 1991. The Company is a not-for-profit entity for the purposes of preparing this report.

2 Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time for the year ended 31 December 2023, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3 Summary of significant accounting policies

The financial report has been prepared in accordance with the significant accounting policies disclosed below, which have been determined appropriate to meet the purposes of preparation by those charged with governance. Such accounting policies are consistent with the previous period unless stated otherwise. The financial report has been prepared on an accruals basis and are based on historical cost unless otherwise stated in the notes.

The significant accounting policies that have been adopted in the preparation of the financial report are as follows:

3.1 Revenue and other income

(a) Revenue from contracts with customers

The core principle of AASB15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

- i) Identify the contract with the customer;
- ii) Identify the performance obligations;
- iii) Determine the transaction price;
- iv) Allocate the transaction price to the performance obligation; and
- v) Recognise revenue as and when control of the performance obligations is transferred.

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Summary of significant accounting policies (continued)

3.1 Revenue and other income (continued)

(b) Grant income

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations, then the revenue is recognised when control of each performance obligation is satisfied. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements, there may be some performance obligations where control transfers at a point in time and other which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

(c) Rendering of services

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

(d) Royalties

Royalties are recognized as revenue when the amounts are received from the collection agency.

(e) Donations

Where donation income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligations is satisfied.

(f) Interest income

Interest income is recognised as it accrues using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

(g) Other income

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

3.2 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 (ATO). 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 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 ATO is included with other receivables or payables in the statement of financial position.

3.3 Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Summary of significant accounting policies (continued)

3.4 Operating expenses

Operating expenses are recognised in the statement of profit or loss upon utilisation of the service or at the date of their origin.

3.5 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the statement of cash flows, cash and cash equivalents as defined above, net of any outstanding bank overdrafts.

3.6 Inventories

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition, which is the deemed cost.

3.7 Intangible assets

(a) Trade marks

Trade marks are recognised at cost of acquisition. They have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Registered trade marks may be renewed after every 10 years, and the value of both common law and registered trademarks are amortised over their useful life.

(b) Software

Software is initially recognised at cost. It has a finite life and is carried at cost less any accumulated amortisation and impairment losses. Software has an estimated useful life of five years.

Residual values and useful lives of intangible assets are reviewed at each reporting date. In addition, these are subject to impairment testing (refer to Note 3.9 for details of impairment).

3.8 Plant and equipment

Plant and equipment are initially recognised at acquisition cost or fair value of contributions received including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Plant and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

In the event the carrying amount of plant and equipment is greater than the recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 3.9 for details of impairment).

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Summary of significant accounting policies (continued)

3.8 Plant and equipment (continued)

Depreciation is recognised on a straight-line basis over the assets' useful life to the Company, commencing when the asset is ready to 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 following useful lives are applied:

<u>Item</u>	<u>Useful life</u>
Plant and equipment	2 to 10 years

Material residual value estimates and estimates of useful life are updated as required, but at least annually. Gains or losses arising on the disposal of plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in statement of profit or loss within other income or other expenses.

3.9 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired.

If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair amount less costs of disposal and value in use, is compared to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in statement of profit or loss.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

3.10 Leases

At inception of a contract, the Company assesses whether a lease exists - i.e., does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Summary of significant accounting policies (continued)

3.10 Leases (continued)

- The Company has the right to direct the use of the asset i.e., decision-making rights in relation to changing how and for what purpose the asset is used.

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy. The estimated life of the right-of-use assets is based on those of property and equipment. The right-of-use asset is subject to the impairment requirements and is assessed for impairment indicators at each reporting date (refer to Note 3.9 for details of impairment).

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g., CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3.11 Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

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).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

ARTS LAW CENTRE OF AUSTRALIA
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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

Financial assets (continued)

Classification

On initial recognition, the Company classifies its financial assets into the following categories:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt instrument (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise cash and cash equivalents, trade receivables and other financial assets in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in the statement of profit or loss. Gain or loss on derecognition is recognised in the statement of profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

When determining whether the credit risk of financial assets has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk. The Company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

Financial assets (continued)

Trade and other receivables

Impairment of trade receivables have been determined using the simplified approach in AASB9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default. The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance. Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the statement of profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method. The financial liabilities of the Company comprise trade payables, lease liabilities and other payables.

Derecognition of financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

3.12 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

3.13 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 settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year 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 not satisfy vesting requirements. Those cash outflows are discounted using market yields on high quality corporate bonds with terms to maturity that match the expected timing of cash flows.

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

4 Economic dependence

The Company is dependent on government grant funding for the majority of its revenue used to operate the business. At the date of this report, the Directors have no reason to believe the government grant funding will not continue to support the Company. Whilst some Federal and State grants are multi-year, others are on an annual basis only.

5 Significant accounting estimates and judgments

Those charged with governance make estimates and judgements during the preparation of the financial report 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 report, however as additional information is known then the actual results may differ from the estimates.

The significant accounting estimates and judgements made have been described below:

5.1 Significant accounting estimates

(a) Revenue recognition-long term contracts

The Company undertakes long term contracts which span a number of reporting periods. Recognition of revenue in relation to these contracts involves estimation of future costs of completing the contract and the expected outcome of the contract. The assumptions are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

(b) Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

5.2 Significant accounting judgements

(a) Employee benefits

For the purpose of measurement, AASB119: Employee Benefits defines obligations for short term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service.

As the Company expects that most employees will not use all of their annual leave entitlements in the same year in which they are earned or during the 12 month period that follows (despite an informal Company policy that requires annual leave to be used within 18 months), the Directors believe that obligations for annual leave entitlements satisfy the definition of other long term employee benefits and, therefore, are required to be measured at the present value of the expected future payments to be made to employees.

ARTS LAW CENTRE OF AUSTRALIA
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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
6 Revenue and other income			
Revenue			
Grant revenue	6.1	1,277,191	1,131,935
Subscription income		133,897	123,121
Fundraising income		150,564	86,358
Donations		66,957	63,030
		<u>1,628,609</u>	<u>1,404,444</u>
Other income			
Royalties		1,088	1,009
Recoveries		88,969	43,683
Sales of publications		84,141	91,586
Education income		82,381	75,405
Artists in the Black Peak Body Services - Desart and First Languages Australia		49,180	75,890
Philanthropic funds - Lotterywest and FRRR (2022: Thyne Reid, Nelson Meers, James N. Kirby Foundation, Perpetual & Impact 100)		111,500	285,000
Consultancy and legal fees		121,070	60,384
Banjima trust		3,465	158,732
Miscellaneous		24,706	11,953
		<u>566,500</u>	<u>803,642</u>
Total revenue and other income		<u>2,195,109</u>	<u>2,208,086</u>
6.1 Grant revenue			
- Australia Council for the Arts		281,186	274,442
- Attorney Generals Department		131,933	124,493
- Department of Infrastructure, Transport, Regional Development and Communications		265,750	258,000
- Create NSW		253,322	150,000
- Creative Victoria		70,000	70,000
- Arts Queensland		60,000	60,000
- Arts NT t/a Department of Tourism and Culture		25,000	25,000
- Department of Local Government, Sport and Cultural Industries, Culture and the Arts (WA)		60,000	60,000
- Arts ACT		23,000	23,000
- Arts Tasmania		10,000	10,000
- Arts South Australia		42,000	42,000
- Phonographic Performance Company of Australia		15,000	15,000
- APRA AMCOS		20,000	20,000
- City of Sydney		20,000	-
		<u>1,277,191</u>	<u>1,131,935</u>

ARTS LAW CENTRE OF AUSTRALIA
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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
7 Other operating expenses			
Accounting fees		35,400	-
Annual report costs		-	3,173
Auditors' remuneration	7.1	13,906	13,906
Board expenses		4,499	16,554
Cleaning		3,254	1,450
Communications		17,778	19,431
Consultancy		3,000	2,500
Consulting fees – Business and IT strategy		7,898	114,413
Film production expenses		31,330	5,016
Fundraising		56,730	54,205
Insurance		20,404	15,053
Lease settlement expenses		8,572	-
Library costs		11,416	9,206
Printing and stationery		2,857	7,006
Repairs and maintenance		24,606	8,358
Subscriptions – trade associations		12,491	12,932
Travel and accommodation		205,243	211,398
Website development		6,278	41,096
Software license		21,222	14,920
Interest on lease liabilities	16	7,340	1,722
Translation expense		703	70
Miscellaneous		39,146	38,424
		<u>534,073</u>	<u>590,833</u>
7.1 Auditors' remuneration			
<i>W. W. Vick & Co., for:</i>			
Audit of financial report		11,400	10,250
Other assurance and agreed-upon procedures		2,506	3,656
		<u>13,906</u>	<u>13,906</u>
8 Depreciation and amortization expense			
Depreciation of plant and equipment	12	31,306	31,305
Amortization of intangible assets	13	1,489	1,488
Amortization of right-of-use assets	14	37,349	34,123
		<u>70,144</u>	<u>66,916</u>

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$	
9 Cash and cash equivalents				
Cash on hand		94	34	
Cash at bank		1,127,521	562,994	
Short term deposits		627,911	624,357	
	19	<u>1,755,526</u>	<u>1,187,385</u>	
10 Trade and other receivables				
<i>Current</i>				
Trade receivables	19	<u>-</u>	<u>4,372</u>	
11 Other financial assets				
<i>Current</i>				
Term deposits - maturing date more than 3 months	19	<u>-</u>	<u>501,053</u>	
12 Plant and equipment				
	Plant and equipment	Leasehold improvements	Total	Total
	\$	\$	2023	2022
	\$	\$	\$	\$
<i>Cost</i>				
Opening	161,552	21,390	182,942	182,942
Additions	13,549	-	13,549	-
	<u>175,101</u>	<u>21,390</u>	<u>196,491</u>	<u>182,942</u>
<i>Accumulated depreciation and impairment</i>				
Opening	142,428	21,390	163,818	132,513
Charge for the year	31,306	-	31,306	31,305
	<u>173,734</u>	<u>21,390</u>	<u>195,124</u>	<u>163,818</u>
<i>Net carrying value</i>	<u>1,367</u>	<u>-</u>	<u>1,367</u>	<u>19,124</u>

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

13 Intangible assets

	Trade marks and others \$	Website development costs \$	Total 2023 \$	Total 2022 \$
Cost				
Opening	16,400	48,100	64,500	64,200
Additions	1,145	-	1,145	300
	<u>17,545</u>	<u>48,100</u>	<u>65,645</u>	<u>64,500</u>
Accumulated amortisation and impairment				
Opening	8,251	48,100	56,351	54,863
Charge for the year	1,489	-	1,489	1,488
	<u>9,740</u>	<u>48,100</u>	<u>57,840</u>	<u>56,351</u>
Net carrying value	<u>7,805</u>	<u>-</u>	<u>7,805</u>	<u>8,149</u>

14 Right-of-use assets

	Office \$	Photocopier \$	Total 2023 \$	Total 2022 \$
Cost				
Opening	84,849	6,390	91,239	134,580
Addition	157,360	-	157,360	-
Written-off	(84,849)	-	(84,849)	(31,374)
Modification	-	-	-	(11,967)
	<u>157,360</u>	<u>6,390</u>	<u>163,750</u>	<u>91,239</u>
Accumulated amortisation and impairment				
Opening	79,375	3,049	82,424	69,569
Written-off	(84,849)	-	(84,849)	(31,374)
Adjustment and modification	-	-	-	10,106
Charge for the year	36,071	1,278	37,349	34,123
	<u>30,597</u>	<u>4,327</u>	<u>34,924</u>	<u>82,424</u>
Net carrying value	<u>126,763</u>	<u>2,063</u>	<u>128,826</u>	<u>8,815</u>

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

14 Right-of-use assets (continued)

Office:

Lease term is 36 months at a minimum monthly rental charge, as per new agreement entered during the year.

Photocopier:

Lease term is 60 months at a minimum monthly rental charge, as per agreement entered in 2020.

	Note	2023 \$	2022 \$
15 Trade and other payables			
Current			
Trade payables	19	5,917	17,242
GST payables		23,107	24,463
Employee related benefits		-	57,900
Sundry payables and accrued expenses		76,147	73,584
Corporate credit card	19	9,706	5,180
		<u>114,877</u>	<u>178,369</u>
16 Lease liabilities			
Present value of minimum lease payments under non-cancellable operating leases			
Opening		10,726	59,430
Addition	14	157,360	-
Interest expense	7	7,340	1,722
Modification and adjustment		-	(13,991)
Repayments		(45,848)	(36,435)
	19	<u>129,578</u>	<u>10,726</u>
Maturity profile of present value of minimum lease payments			
Not later than one year		49,484	8,571
Between one to five years		80,094	2,155
		<u>129,578</u>	<u>10,726</u>
Future contractual undiscounted cashflow			
Not later than one year		58,528	8,774
Between one to five years		85,260	2,272
		<u>143,788</u>	<u>11,046</u>

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
17 Employee benefits			
<i>Current</i>			
Long service leave		91,215	101,506
Annual leave		137,440	141,145
		<u>228,655</u>	<u>242,651</u>
<i>Non-current</i>			
Long service leave		45,202	14,574
		<u>45,202</u>	<u>14,574</u>
		<u>273,857</u>	<u>257,225</u>
18 Other liabilities			
<i>Current</i>			
Unexpended grants	18.1	514,229	266,593
Unearned income	18.2	75,719	82,110
		<u>589,948</u>	<u>348,703</u>
18.1 Unexpended grants			
APRA AMCOS		10,000	10,000
Australia Council for the Arts		139,979	138,593
City of Sydney		-	18,000
Department of Communication and the Arts		162,750	100,000
Lotterywest		61,500	-
Victorian Legal Service Board		140,000	-
		<u>514,229</u>	<u>266,593</u>
18.2 Unearned income			
Subscription		54,748	67,270
Education		6,131	-
Artist in the Black		14,840	14,840
		<u>75,719</u>	<u>82,110</u>

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 \$	2022 \$
19 Financial risk management			
Financial assets			
<i>At amortised cost</i>			
Cash and cash equivalents	9	1,755,526	1,187,385
Trade and other receivables	10	-	4,372
Other financial assets	11	-	501,053
		<u>1,755,526</u>	<u>1,692,810</u>
Financial liabilities			
<i>At amortised cost</i>			
Trade and other payables	15	15,623	22,422
Lease liabilities	16	129,578	10,726
		<u>145,201</u>	<u>33,148</u>
20 Reconciliation of net cash provided by operating activities to (deficit) / surplus after income tax:			
(Deficit) / surplus after income tax		(135,687)	37,035
<i>Non-cash flows in surplus after income tax</i>			
Depreciation and amortization expense	8	70,144	66,916
Interest on lease liabilities	7	7,340	1,722
Adjustment in right-of-use assets and lease liabilities		-	8,082
<i>Changes in assets and liabilities</i>			
(Increase) / decrease in:			
Trade and other receivables		4,372	7,942
Inventories		-	898
Prepayments		(12,924)	236
Increase / (decrease) in:			
Trade and other payables		(63,492)	36,987
Employee benefits		16,632	34,324
Other liabilities		241,245	(172,406)
Net cash provided by operating activities		<u>127,630</u>	<u>21,736</u>

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

21 Fundraising income and expenses

During the year, the Company raised funds through solicited corporate and general donations; gifts and the conduct of fundraising events and activities.

Information on the gross income and expenditure from fundraising activities conducted during the year for the purpose of the Charitable Fundraising Act (NSW) 1991 is as follows:

	2023	2022
	\$	\$
<i>Results from fundraising appeals</i>		
Gross income from fundraising, donations and contributions	217,521	149,388
Total cost of fundraising	(56,730)	(54,205)
<i>Net surplus from fundraising</i>	160,791	95,183
Surplus as a percentage to gross income	73.92%	63.72%
Total income of the Company	2,207,766	2,210,513
Total expenditure of the Company	2,343,453	2,173,478
Total cost of fundraising as a percentage of total income of the Company	2.57%	2.45%
Total cost of fundraising as a percentage of total expenditure of the Company	2.42%	2.49%

Total direct payments fundraising events include payments to sub-contractors who directly execute fundraising activities as well as payments for awards and prizes. The balance of expenditure incurred by the Company was applied to general operations which, while not directly allocated to a specific fundraising event, are applied to the furtherance of the Company's overall charitable objectives.

22 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 outstanding obligations of the Company.

At 31 December 2023, the number of members was 10 (2022: 7).

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NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

23 Related party transactions

The Company's related parties' transactions include transactions as described below:

Key management personnel remuneration:

During the year, the Company paid \$886,864 (2022: \$675,677) as remuneration to the key management personnel of the Company.

Other related parties:

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated.

During the year, the Company paid \$130,398 (2022: \$115,706) to Suzanne Derry as gross salaries and wages. Suzanne Derry is the spouse of Navid Bahadori (a Board Member and Member of Finance, Strategy and Advocacy Committee).

24 Contingencies and commitments

In the opinion of those charged with governance, the Company did not have any contingencies and commitments at 31 December 2023 (2022: None).

25 Subsequent events

In the opinion of those charged with governance, 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.

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RESPONSIBLE PERSONS' DECLARATION

The responsible persons declare that in the responsible persons' opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the Australian Charities and Not-for-profits Commission Act 2012.

Signed in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profits Commission Regulations 2022.



Sarah Kwok

Director

Dated: 23 April 2024



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ARTS LAW CENTRE OF AUSTRALIA

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Arts Law Centre of Australia. ("the Company"), which comprises the statement of financial position as at 31 December 2023, 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 responsible persons' declaration.

It is not always practicable for the Company to establish accounting controls over all forms 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 Company.

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 Company are not appropriate.

In our opinion, except for the effects of the matter described above, the accompanying financial report of the Company has been prepared in accordance with *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 31 December 2023 and of its financial performance for the year ended; and
- b) complying with Australian Accounting Standards - Simplified Disclosures and Division 60 of *the Australian Charities and Not-for-profits Commission Regulations 2022*.

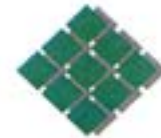
Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 Company in accordance with the auditor independence requirements of *the Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

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 responsible entities' financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ARTS LAW CENTRE OF AUSTRALIA (CONTINUED)

Report on the Audit of the Financial Report (continued)

Other Information

Directors are responsible for the other information. The other information comprises the information included in the Company's financial report (such as Directors' Report) for the year ended 31 December 2023 but does not include the financial report and our 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.

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 Responsible Entities for the Financial Report

The responsible entities 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 ACNC Act*. The responsible entities' responsibility also includes such internal control as the responsible entities determine is necessary to enable the preparation of a 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 responsible entities are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the responsible entities either intend to liquidate the Company or to cease operations, or have 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 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 the 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. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

Additional Scope Pursuant to the Charitable Fundraising Act 1991

In addition, our audit report has been prepared for the members of the Company in accordance with Section 24(2) of *the Charitable Fundraising Act 1991*. Accordingly, we have performed additional work beyond that which is performed in our capacity as auditors pursuant to the ACNC Act. 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 1991 and its Regulations*.



INDEPENDENT AUDIT REPORT TO THE MEMBERS OF ARTS LAW CENTRE OF AUSTRALIA (CONTINUED)

Report on Other Legal and Regulatory Requirements (continued)

Additional Scope Pursuant to the Charitable Fundraising Act 1991 (continued)

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 Act 1991 and its 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.

Opinion pursuant to the Charitable Fundraising 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 year 1 January 2023 to 31 December 2023;
- (b) The financial report has been properly drawn up, and the associated records have been properly kept for the year 1 January 2023 to 31 December 2023, in accordance with *the Charitable Fundraising Act 1991 and its Regulations*;
- (c) Money received as a result of fundraising appeal activities conducted during the year from 1 January 2023 to 31 December 2023 has been properly accounted for and applied in accordance with *the Charitable Fundraising Act 1991 and its Regulations*; and
- (d) There are reasonable grounds to believe that Arts Law of Australia will be able to pay its debts as and when they fall due.

W. W. Vick & Co.
Chartered Accountants
Level 3
1 James Place
North Sydney NSW 2060

Ray Khalil - Partner

Date: 23 April 2024

W. W. Vick & Co.

Chartered Accountants

ABN 14 568 923 714



AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS COMMISSION ACT 2012

TO THE DIRECTORS OF ARTS LAW CENTRE OF AUSTRALIA

I declare that, to the best of my knowledge and belief for the year ended 31 December 2023, there have been:

- i) no contraventions of the auditor independence requirements of *the Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

W. W. Vick & Co.

Chartered Accountants

Level 3

1 James Place

North Sydney NSW 2060

Ray Khalil - Partner

Date: 23 April 2024

W. W. Vick & Co.

Chartered Accountants

ABN 14 568 923 714



DISCLAIMER

ADDITIONAL FINANCIAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023

The additional financial data presented on page number 35 and 36 of the financial report is in accordance with the books and records of the Arts Law Centre of Australia ("the Company") which have been subjected to the auditing procedures applied in our statutory audit of the Company for the year ended 31 December 2023.

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 the Company) in respect of such data, including any errors of omissions therein however caused.

W. W. Vick & Co.

Chartered Accountants

Level 3

1 James Place

North Sydney NSW 2060

Ray Khalil - Partner

Date: 23 April 2024

ARTS LAW CENTRE OF AUSTRALIA
ABN 71 002 706 256

DETAILED STATEMENT OF (DEFICIT) / SURPLUS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
Income		
<i>Grant income</i>		
Australia Council for the Arts	281,186	274,442
Attorney Generals Department	131,933	124,493
Department of Infrastructure, Transport, Regional Development and Communications	265,750	258,000
Create NSW	253,322	150,000
Creative Victoria	70,000	70,000
Arts Queensland	60,000	60,000
Arts NT t/a Department of Tourism and Culture	25,000	25,000
Department of Local Government, Sport and Cultural Industries, Culture and the Arts (WA)	60,000	60,000
Arts ACT	23,000	23,000
Arts Tasmania	10,000	10,000
Arts South Australia	42,000	42,000
Phonographic Performance Company of Australia	15,000	15,000
APRA AMCOS	20,000	20,000
City of Sydney	20,000	-
<i>Other income</i>		
Royalties	1,088	1,009
Recoveries	88,969	43,683
Sales of publications	84,141	91,586
Education income	82,381	75,405
Artists in the Black Peak Body Services - Desart and First Languages Australia	49,180	75,890
Philanthropic funds - Lotterywest and FRRR (2022: Thyne Reid, Nelson Meers, James N. Kirby Foundation, Perpetual & Impact 100)	111,500	285,000
Consultancy and legal fees	121,070	60,384
Banjima trust	3,465	158,732
Miscellaneous	24,706	11,953
<i>Subscription income</i>	133,897	123,121
<i>Fundraising income</i>	150,564	86,358
<i>Donations</i>	66,957	63,030
<i>Interest income</i>	12,657	2,427
Total income	2,207,766	2,210,513

ARTS LAW CENTRE OF AUSTRALIA
ABN 71 002 706 256

DETAILED STATEMENT OF (DEFICIT) / SURPLUS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023	2022
	\$	\$
Expenditure		
<i>Administration costs</i>		
Accounting fees	35,400	-
Audit fees	13,906	13,906
Communications	17,778	19,431
Depreciation and amortisation expense	70,144	66,916
Interest on lease liabilities	7,340	1,722
Insurance	20,404	15,053
Legal, finance and governance committees	15,464	25,056
Office rent and running costs	37,135	9,878
Office consumables and resources	56,471	57,413
Travel and accommodation	205,243	211,398
Staff amenities	2,857	4,601
<i>Employees' related cost</i>		
Salaries and wages	1,494,222	1,309,805
Annual leave provided	(3,704)	11,409
Long service leave provided	20,337	22,915
OH & S expenses	24	1,263
Practising certificates	5,725	6,030
Parental leave expense	21,049	5,934
Recruitment costs	3,110	6,322
Staff development and training costs	10,643	10,624
Superannuation contributions	182,782	135,990
<i>Program costs</i>		
Publications, recordings and costs of sale	35,729	8,846
Workshop expenses	3,130	7,797
<i>Marketing and promotion costs</i>		
Marketing, promotion and fundraising expenses	81,986	180,073
Website maintenance and running costs	6,278	41,096
Total expenditure	2,343,453	2,173,478
(Deficit) / surplus for the year	(135,687)	37,035