

**AUSTRALIAN INSTITUTE OF
CREDIT MANAGEMENT
ABN 79 008 455 758**

**CONCISE
ANNUAL REPORT
30 JUNE 2017**

AUSTRALIAN INSTITUTE OF CREDIT MANAGEMENT
ABN 79 008 455 758

DIRECTORS' REPORT

The directors present their report together with the financial report of Australian Institute of Credit Management ('the Company') for the year ended 30 June 2017 and the auditor's report thereon.

Directors

ASIC records confirm that the directors of the Company at any time during or since the end of the financial year are:

<i>Name and qualifications</i>	<i>Special Responsibilities</i>	<i>Age</i>	<i>Appointed</i>	<i>Resigned</i>
Mr Grant L Morris MICM CCE	Australian President	61	29 March 2007	12 October 2016
Mr James A Neate MICM	Vice President, Law & Regulation & Australian President	54	20 March 2010	
Mr Jeff G. Hurst FICM CCE	Member Services	63	22 May 2012	
Mr Greg Young MICM CCE	CCE, YCPA Law & Regulation	60	17 August 2013	
Mr Stephen D Mitchinson LICM	Prof. Development	60	17 August 2013	5 September 2016
Mr Gregg Odium MICM CCE	Finance & Vice President	35	16 July 2014	
Mr Benjamin J McCallum MICM	Prof. Development	38	5 September 2016	
Mr Trevor D Goodwin LICM CCE	CCE, YCPA, CToY	59	18 November 2016	

Directors' meetings

The number of directors meetings (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

<i>Director</i>	<i>Meetings Attended</i>	<i>Meetings Held*</i>
Mr G L Morris	4	4
Mr J A Neate	11	11
Mr J G Hurst	11	11
Mr G C Young	10	11
Mr S D Mitchinson	0	2
Mr G O Odium	11	11
Mr B J McCallum	6	8
Mr T D Goodwin	7	7

* Represents meetings for which directors were eligible to attend

DIRECTORS' REPORT (Continued)

Principal activities and achievements

The short and long term objectives of the Institute are the public education and advancement of credit management in Australia and these remain the principal activities during the year. These objectives are achieved by the encouragement of members to engage in career long education and the development of course material and conduct of credit management education programmes.

Performance as measured by attendance at Institute sponsored education activities met all objectives.

Company particulars

Australian Institute of Credit Management is incorporated in Australia. The address of the registered office is:
Masselos Grahame Masselos Pty Limited
Level 17, 44 Market Street
Sydney NSW 2000

Review and results of operations

The profit after income tax amounted to \$101,559 (2016: \$142,066).

Dividends

The Institute is a company limited by a guarantee with no share capital. Clause 4 of the Company's Memorandum of Association prohibits the Institute from paying dividends.

State of affairs

Income has continued to grow strongly this financial year. Expenses have increased commensurately as has the staff head count resulting in a lower profit this year.

In the opinion of the directors there were no significant changes in the state of affairs of the Company that occurred during the financial year under review.

Environmental regulation

The Company's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. The directors are not aware of any significant breaches during the period covered by this Report.

DIRECTORS' REPORT (Continued)

Events subsequent to balance date

There has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

Likely developments

The Company will continue to pursue its policy of improving and extending the range of its services to enhance career opportunities.

Indemnification

The Company has agreed to indemnify the directors, secretary and executive officers of the Company against all liabilities to another person (other than the Company) that may arise from their position as director, secretary or executive officer of the Company, except where the liability arises out of conduct involving a lack of good faith.

Insurance premiums

During the year insurance premiums were paid in respect of directors' and officers' liability and legal expenses, for the year ended 30 June 2017. The company has agreed to pay premiums in respect of such insurance contracts for the year ending 30 June 2017. Such insurance contracts insure against liability (subject to exclusions) of persons who are or have been directors' or officers' of the Company.

Directors have not included details of the nature of the liabilities covered or the amount of the premium paid as such disclosure is prohibited under the terms of the contract.

Liability of members in the event of winding up

The Company is limited by the guarantee of its members. Each member of the Company undertakes to contribute to the assets of the Company in the event of it being wound up during the time they are a member or within one year afterwards for:

- Payment of debts and liabilities of the Company contracted before the time at which they ceased to be a member;
- The costs, charges and expenses of winding up the Company; and
- The adjustment of the rights of the contributors amongst themselves.

such amounts as may be required but not exceeding \$2.00. As at 30 June 2017 the Company had 2,507 (2016: 2,296) members.

DIRECTORS' REPORT (Continued)

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Australian Institute Of Credit Management

I declare that, to the best of my knowledge and belief, in relation to the audit of the financial year ended 30 June 2017 there have been:

- No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- No contraventions of any applicable code of professional conduct in relation to the audit.



Garry Stewart Grahame FCA
Chartered Accountant
Sydney: 5th September 2017

Signed in accordance with a resolution of the directors:



James A Neate, Australian President

Date: 5th September 2017



Gregg Odlum, Finance Director

Date: 5th September 2017

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
	\$	\$
Cash Flows from Operating Activities		
Cash receipts in the course of operations	1,680,363	1,563,434
Cash payments in the course of operations	(1,610,598)	(1,391,604)
Interest received	9,364	7,932
	<hr/>	<hr/>
Net cash provided from/(used in) operating activities	79,129	179,762
	<hr/>	<hr/>
Cash Flows from Investing Activities		
Receipts/(Payments) for property, plant, equipment and intangibles	(18,897)	(17,584)
	<hr/>	<hr/>
Net cash (used in)/provided by investing activities	(18,897)	(17,584)
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents held	60,231	162,178
	<hr/>	<hr/>
<i>Cash and cash equivalents at the beginning of the financial year</i>	709,813	547,635
	<hr/>	<hr/>
<i>Cash and cash equivalents at the end of the financial year</i>	770,044	709,813
	<hr/>	<hr/>

The above Statement is to be read in conjunction with the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of this financial report are:

(a) Basis of preparation

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Interpretations adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. International Financial Reporting Standards ('IFRS') form the basis of Australian Accounting Standards adopted by the AASB, being the Australian equivalent to IFRS '(AIFRS)'.

(b) Going concern

The financial report has been prepared on a going concern basis, which contemplates the continuation of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Directors have considered whether the Going Concern basis remains appropriate for the purpose of the Financial Statements and concluded that it does. In reaching that conclusion the Directors have considered the future sources and level of income and budgeted expenditure.

The Company expects to be able to continue its operations as a going concern and therefore expects to be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report.

2. EVENTS SUBSEQUENT TO BALANCE DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in future financial years.

**INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
AUSTRALIAN INSTITUTE OF CREDIT MANAGEMENT**

Report on the Financial Report

I have audited the financial report of Australian Institute of Credit Management ('the Company') for the financial year ended 30 June 2017, consisting of the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity, accompanying Notes, and the Directors' Declaration.

Directors and Management Responsibility for the Financial Report

The Directors and Management are responsible for the preparation and fair presentation of the Financial Report in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as Directors and Management determine are necessary to enable the preparation of the Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the Financial Report based on my audit. I have conducted my audit in accordance with Australian Auditing Standards. Those Auditing standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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. My procedures included the examination on a test basis, of evidence supporting the amounts and other 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 controls relevant to the Company'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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Directors and Management, as well as evaluating the overall presentation of the Financial Report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence


In conducting my audit, I have complied with the independence requirements of the Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the Directors of Australian Institute of Credit Management, would be in the same terms if given to the directors as at the time of this auditor's report.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
AUSTRALIAN INSTITUTE OF CREDIT MANAGEMENT (Continued)

Opinion

In my opinion the financial report of the Australian Institute of Credit Management is in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Company as at 30 June 2017 and of its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.



Garry Stewart Grahame FCA
Chartered Accountant
Sydney: 5th September 2017

AUSTRALIAN INSTITUTE OF CREDIT MANAGEMENT
ABN 79 008 455 758

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED
30 JUNE 2017**

	2017 \$	2016 \$
Revenue from ordinary activities	1,730,593	1,546,534
Employee expenses	644,157	486,179
Depreciation and Amortisation expenses	5,757	3,861
Corporate and Administration expenses	979,120	914,428
Profit	101,559	142,066
Other Comprehensive Income	-	-
Income tax expense	-	-
Profit after tax	101,559	142,066

Discussion and analysis of the Statement of Profit or Loss and Other Comprehensive Income

1. The above figures reflect the continued growth of revenue in recent years.
2. The Institute's expenditure has increased commensurately which together with a higher headcount has resulted in a small decline in profit.
3. Total membership numbers increased from 2,236 as at 30 June 2016 to 2,507 as at 30 June 2017 (9%).

**STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2017**

	2017 \$	2016 \$		2017 \$	2016 \$
Current Assets			Current Liabilities		
Cash and Cash Equivalents	770,044	709,813	Sundry Creditors & Accruals	107,287	47,856
Trade Debtors	330,772	264,112	Income in Advance	599,724	600,336
Less Provision for Doubtful Debts	(7,805)	(8,280)	Provision for Annual Leave	31,288	16,143
Prepayments & Other Debtors	73,183	40,049	Total current Liabilities	738,299	664,335
Total current assets	1,166,194	1,005,694	Non-Current Liabilities		
Non-Current Assets			Provision for Long Service Leave	34,001	35,884
Fixed Assets (cost)	42,063	23,166	Total Non-Current Liabilities	34,001	35,884
Less: Accumulated Depreciation	(18,191)	(14,850)	TOTAL LIABILITIES	772,300	700,219
Web Development (cost)	12,077	12,077	TOTAL NET ASSETS	426,620	325,061
Less: Accumulated Amortisation	(3,223)	(807)	Statement of Changes in Equity		
Total non-current assets	32,726	19,586	Opening Accumulated Funds	325,061	182,995
TOTAL ASSETS	1,198,920	1,025,280	Surplus for Year	101,559	142,066
			Transfer from Reserves	-	-
			Accumulated Funds	426,620	325,061

Discussion and analysis of the Statement of Financial Position

1. The cash holdings have increased by 8.5% from \$709,813 as at 30 June 2016 to \$770,044 as at 30 June 2017.
2. Net assets have increased strongly to more than \$426,000.
3. The Directors have considered whether the Going Concern basis remains appropriate for the purpose of the Financial Statements and concluded that it does. In reaching that conclusion the Directors have considered the future sources and level of income and budgeted expenditure.

DIRECTORS' DECLARATION

In the opinion of the directors of Australian Institute of Credit Management:

- (1) the financial statements and notes, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the Company as at 30 June 2017 and of its performance, as represented by the results of its operations and its cash flows, for the year ended on that date; and
 - (ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and
- (2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



James A Neate, Australian President

Date: 5th September 2017



Gregg Odum, Finance Director

Date: 5th September 2017