

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

**CONCISE
ANNUAL REPORT
30 JUNE 2018**

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 2018 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 James A Neate LICM CCE	Australian President, Law & Regulation	54	20 March 2010	
Mr Jeff G Hurst LICM CCE	Member Services	64	22 May 2012	6 March 2018
Mr Greg Young MICM CCE	Law & Regulation	61	17 August 2013	14 July 2018
Mr Gregg Odlum MICM CCE	Vice President & Finance	36	16 July 2014	
Mr Benjamin J McCallum MICM	Prof. Development	41	05 September 2016	13 July 2017
Mr Trevor D Goodwin LICM CCE	CCE, YCPA & CToY	60	18 November 2016	
Mr Rowan A McClarty MICM CCE	Prof. Development	50	5 September 2017	
Mr Luigi Caldararo LICM CCE	Member Services	55	11 April 2018	

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 J A Neate	11	13
Mr J G Hurst	9	9
Mr G C Young	13	13
Mr G O Odlum	12	13
Mr B J McCallum	0	0
Mr T D Goodwin	12	13
Mr R A McClarty	11	11
Mr L Caldararo	4	4

* 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 \$40,049 (2017: \$101,559).

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 fallen this financial year. Expenses have decreased to a lesser extent 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 2018. The company has agreed to pay premiums in respect of such insurance contracts for the year ending 30 June 2018. 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 2018 the Company had 2,551 (2017: 2,507) 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 2018 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: 22nd August 2018

Signed in accordance with a resolution of the directors:



James A Neate, Australian President

Date: 22nd August 2018



Gregg Odlum, Finance Director

Date: 22nd August 2018

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	\$	\$
Cash Flows from Operating Activities		
Cash receipts in the course of operations	1,687,357	1,680,363
Cash payments in the course of operations	(1,639,879)	(1,610,598)
Interest received	11,177	9,364
	<hr/>	<hr/>
Net cash provided from/(used in) operating activities	58,655	79,129
Cash Flows from Investing Activities		
Receipts/(Payments) for property, plant, equipment and intangibles	(1,035)	(18,898)
	<hr/>	<hr/>
Net cash (used in)/provided by investing activities	(1,035)	(18,898)
Net increase/(decrease) in cash and cash equivalents held		
	<hr/>	<hr/>
	57,620	60,231
Cash and cash equivalents at the beginning of the financial year		
	<hr/>	<hr/>
	770,044	709,813
Cash and cash equivalents at the end of the financial year		
	<hr/>	<hr/>
	827,664	770,044

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 2018

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 2018, 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

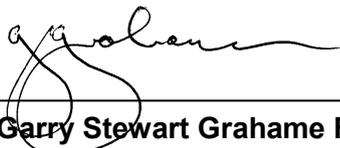
In conducting my audit, I have complied with the independence requirements of the Corporations Act 2001. I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the Directors of Australian Institute of Credit Management, would be in the same terms if 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 2018 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: 22nd August 2018

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 2018**

	2018 \$	2017 \$
Revenue from ordinary activities	1,627,803	1,730,593
Employee expenses	698,459	644,157
Depreciation and Amortisation expenses	6,963	5,757
Corporate and Administration expenses	882,332	979,120
Profit	40,049	101,559
Other Comprehensive Income	-	-
Income tax expense	-	-
Profit after tax	40,049	101,559

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

1. The above figures reflect a drop in revenue compared to previous years as a result of a decrease in RTO revenue.
2. The Institute's expenditure has also decreased as management made a conscious effort to control expenses with the drop in RTO revenue in mind although profit dropped by 61%.
3. Total membership numbers increased from 2,507 as at 30 June 2017 to 2,551 as at 30 June 2018 (2%).

**STATEMENT OF FINANCIAL POSITION AS AT
30 JUNE 2018**

	2018 \$	2017 \$		2018 \$	2017 \$
Current Assets			Current Liabilities		
Cash and Cash Equivalents	827,664	770,044	Sundry Creditors & Accruals	78,666	107,287
Trade Debtors	269,287	330,772	Income in Advance	609,350	599,724
Less Provision for Doubtful Debts	(6,610)	(7,805)	Provision for Annual Leave	31,439	31,288
Prepayments & Other Debtors	102,767	73,183	Total current Liabilities	719,455	738,299
Total current assets	1,193,108	1,166,194	Non-Current Liabilities		
Non-Current Assets			Provision for Long Service Leave	33,782	34,001
Fixed Assets (cost)	43,098	42,063	Total Non-Current Liabilities	33,782	34,001
Less: Accumulated Depreciation	(22,738)	(18,191)	TOTAL LIABILITIES	753,237	772,300
Web Development (cost)	12,077	12,077	TOTAL NET ASSETS	466,669	426,620
Less: Accumulated Amortisation	(5,639)	(3,223)	Statement of Changes in Equity		
Total non-current assets	26,798	32,726	Opening Accumulated Funds	426,620	325,061
TOTAL ASSETS	1,219,906	1,198,920	Surplus for Year	40,049	101,559
			Transfer from Reserves	-	-
			Accumulated Funds	466,669	426,620

Discussion and analysis of the Statement of Financial Position

1. The cash holdings have increased by 7.5% from \$770,044 as at 30 June 2017 to \$827,664 as at 30 June 2018.
2. Net assets have continued to increase to more than \$466,000.
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 2018 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: 22nd August 2018



Gregg Odlum, Finance Director

Date: 22nd August 2018