THE AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC

ABN 75 063 016 455

FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2011

THE AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC
ABN 75 063 016 455

BOARD REPORT

Your Committee and committee members (hereinafter referred to as the Board and Board members) submit the financial report of the Australian and New Zealand Sports Law Association Inc. for the financial year ended 30 June 2011.

Board Members

The names of Board Members throughout the year and at the date of this report are:

President	Ian Hunt	
Treasurer	Andrew Gibson	
Secretary	Venetia Stewart	
Director	Victoria Latta	
Director	Anthony O'Reilly	
Director	Melanie Mallam	(did not seek reelection 10 September 2010)
Director	Tim Holden	(appointed 3 May 2011)
Director	Paul David	
Director	Martin Ross	
Director	Amelia Lynch	

Principal Activities

The principal activity of the Association during the financial year was to act on all issues relating to Australia and New Zealand sports law in accordance with the objects of the Association.

Significant Changes

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

Operating Result

The net loss after providing for income tax amounted to $36,204 (2010: profit $46,678).

Remuneration

No Board Members received any remuneration for their services to the Association.

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

Ian Hunt
President

Andrew Gibson
Treasurer

Dated: 12 March 2012

THE AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC
ABN 75 063 016 455

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 $	2010 $
Revenue	2	193,297	199,196
Impairment Expense		(13,150)	-
Administration Expenses		(103,772)	(78,543)
Conference Expenses		(108,606)	(73,338)
Depreciation		(3,973)	(637)
Net income before income tax		(36,204)	46,678
Income tax expense		-	-
Net income from operations		(36,204)	46,678

The accompanying notes form part of these financial statements.

THE AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC
ABN 75 063 016 455

STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2011

		2011 $	2010 $
CURRENT ASSETS			
Cash and cash equivalents	4	246,842	266,402
Trade and other receivables	5	6,252	30,725
TOTAL CURRENT ASSETS		253,094	297,127
NON-CURRENT ASSETS			
Property, plant and equipment	6	8,282	955
Shares in Community First		2	2
Trademarks		2,658	2,658
TOTAL NON-CURRENT ASSETS		10,942	3,615
TOTAL ASSETS		264,036	300,742
CURRENT LIABILITIES			
Trade and other payables	7	5,477	6,113
Income in advance		8,318	8,184
TOTAL CURRENT LIABILITIES		13,795	14,297
NET ASSETS		250,241	286,445
EQUITY			
Retained earnings		250,241	286,445

The accompanying notes form part of these financial statements.

THE AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC
ABN 75 063 016 455

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

	Retained Earnings $	Total $
Balance at 1 July 2009	239,767	239,767
Net income attributable to members	46,678	46,678
Balance at 30 June 2010	286,445	286,445
Net income attributable to members	(36,204)	(36,204)
Balance at 30 June 2011	250,241	250,241

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 $	2010 $
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers and members		170,955	179,614
Interest received		9,524	7,439
Payments to suppliers and employees		(188,739)	(162,567)
Net cash provided/(used) by operating activities	8b	(8,260)	24,486
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(11,300)	(1,591)
Purchase of investments		-	(2)
Net cash provided by (used in) investing activities		(11,300)	(1,593)
Net increase/(decrease) in cash held		(19,560)	22,893
Cash at beginning of year		266,402	243,509
Cash at end of year	8a	246,842	266,402

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover Australian and New Zealand Sports Law Association Inc. as an individual entity. Australian and New Zealand Sports Law Association Inc. is an association incorporated in Victoria under the Associations Incorporations Act 1981.

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and the Associations Incorporation Act 1981.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. **Income Tax**
Endorsement as an income tax exempt entity under Subdivision 50B of the Income Tax Assessment Act 1997 has been received from the Australian Taxation Office.

b. **Property, Plant and Equipment**
Each class of property, plant and equipment is carried at cost or fair value, as indicated less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment
Plant and equipment are measured on the cost basis less depreciation and impairment losses. In the event the carrying amount of plant and equipment is greater than estimated 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.

Depreciation
The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a reducing balance basis over their estimated useful lives to the Association commencing from the time the asset is held ready for use. Properties held for investment purposes are not subject to a depreciation charge.

The depreciation rates used for each class of assets are:

Class of Fixed Asset	Depreciation Rate
Computer and Office Equipment	40%

c. **Leases**
Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

e. **Employee Benefits**
Provision is made for the association'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 payables later then one year have been measured at the present value of the estimated future case 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 national government bonds with terms to maturity that match the expected timing of cash flows.

f. **Revenue**
Grant revenue is recognised in the income statement when it is controlled. Where there are conditions attached to grant revenue relating to the use of those grants for specific purposes it is recognised in the balance sheet as a liability until such conditions are met or services provided.

Revenue from reimbursements is recognised on a cash basis.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Other incomes are recognised when earned.

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

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

g. **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 Tax Office.

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.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

h. **Comparative Figures**
When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

i. Financial Instruments

Initial recognition and measurement
Financial assets and financial liabilities are recognised when the association becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement
Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

(I) Financial assets at fair value through profit or loss
Financial assets are classified at 'fair value through profit or loss' when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being recognised in profit or loss. The association has not held any financial assets at fair value through profit or loss in the current or comparative financial year.

(ii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

The association has not held any held-to-maturity investments in the current or comparative financial year.

(iv) Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

i. Financial Instruments continued

(v) Financial liabilities
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment
At the end of each reporting period, the association assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

j. Critical Accounting Estimates and Judgements

The Committee of Management members evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Association.

Key Estimates
The Committee of Management assess impairment at each reporting date by evaluating conditions and events specific to the Association that maybe indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key Judgements
There are no critical estimates or judgements that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities.

k. New Accounting Standards for Application in Future Periods

The Australian Accounting Standards Board has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods and which the Group has decided not to early adopt. A discussion of those future requirements and their impact on the association is as follows:

AASB 9: Financial Instruments [December 2010] (applicable for annual reporting periods commencing on or after 1 January 2013).

This Standard is applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments. The Group has not yet determined any potential impact on the financial statements.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;

- simplifying the requirements for embedded derivatives;

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

k. **New Accounting Standards for Application in Future Periods continued**

- removing the tainting rules associated with held-to-maturity assets;

- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;

- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;

- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and

- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in the other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

AASB 124: Related Party Disclosures (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities and clarifies the definition of a "related party" to remove inconsistencies and simplify the structure of the Standard. No changes are expected to materially affect the association.

AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124,127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and

- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.
  These Standards detail numerous non-urgent but necessary changes to Accounting Standards arising from the IASB's annual improvements project. No changes are expected to materially affect the association.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the association is a not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the association will take advantage of Tier 2 reporting at a later date.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

k. **New Accounting Standards for Application in Future Periods continued**

AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. The Standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures. The amendments are not expected to impact the association.

AASB 2009-14: Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [AASB Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan. This Standard is not expected to impact the association.

AASB 2010-4: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] (applicable for annual reporting periods commencing on or after 1 January 2011).

This Standard details numerous non-urgent but necessary changes to Accounting Standards arising form the IASB's annual improvements project. Key changes include:

- clarifying the application of AASB 108 prior to an entity's first Australian-Accounting-Standards financial statements;

- amending ASB 7 to add an explicit statement that qualitative disclosures should be made in the context of the quantitative disclosures to better enable users to evaluate an entity's exposure to risks arising from financial instruments;

- amending AASB 101 to the effect that disaggregation of changes in each component of equity arising from transactions recognised in other comprehensive income is required to be presented, but is permitted to be presented in the statement of changes in equity or in the notes;

- adding a number of examples to the list of events or transactions that require disclosure under AASB 134; and

- adding sundry editorial amendments to various Standards and interpretations.

This Standard is not expected to impact the association.

AASB 2010-5: Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042] (applicable for annual reporting periods beginning on or after 1 January 2011).

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

k. **New Accounting Standards for Application in Future Periods continued**

This Standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRSs by the IASB. However, these editorial amendments have no major impact on the requirements of the respective amended pronouncements.

AASB 2010-6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7] (applicable for annual reporting periods beginning on or after 1 July 2011).

This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard make amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.

This Standard is not expected to impact the association.

AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to a range of Australian Accounting Standards and Interpretations as a consequence of the issuance of AASB 9: Financial Instruments in December 2010. Accordingly, these amendments will only apply when the entity adopts AASB 9.

As noted above, the association has not yet determined any potential impact on the financial statements from adopting AASB 9.

AASB 2010-8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes.

The amendments brought in by this Standard introduce a more practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model under AASB 140: Investment Property.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments brought in by this Standard also incorporate Interpretation 121 into AASB 112.

The amendments are not expected to impact the association.

AASB 2010-9: Amendments to Australian Accounting Standards – Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1] (applies to periods beginning on or after 1 July 2011).

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES continued

k. **New Accounting Standards for Application in Future Periods continued**

This Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards.

The amendments brought in by this Standard provide relief for first-time adopters of Australian Accounting Standards from having to reconstruct transactions that occurred before their date of transition to Australian Accounting Standards.

Furthermore, the amendments brought in by this Standard also provide guidance for entities emerging from sever hyperinflation either to resume presenting Australian-Accounting-Standards financial statements or to present Australian-Accounting-Standards financial statements for the first time.

This Standard is not expected to impact the association.

AASB 2010-10: Further Amendments to Australian Accounting Standards – Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7] (applies to periods beginning on or after 1 January 2013).

This Standard makes amendments to AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9; and AASB 2010-7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).

The amendments brought in by this Standard ultimately affect AASB 1: First-time Adoption of Australian Accounting Standards and provide relief for first-time adopters from having to reconstruct transactions that occurred before their transition date.

[The amendments to AASB 2009-11 will only affect early adopters of AASB 2009-11 (and AASB 9: Financial Instruments that was issued in December 2009) as it has been superseded by AASB 2010-7.]

This Standard is not expected to impact the association.

NOTE 2: REVENUE

	2011 $	2010 $
Members' Subscriptions	59,203	61,793
Interest Received	9,524	7,439
Conference Income	109,345	108,371
Sponsorship (Conference) Income	15,126	15,279
Sundry	99	6,314
Total revenue	193,297	199,196

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

	2011 $	2010 $
NOTE 3: KEY MANAGEMENT PERSONNEL COMPENSATION		
Short Term Benefits	48,325	43,530
NOTE 4: CASH AND CASH EQUIVALENTS		
Business Cheque Account	10,174	14,425
Short-term bank Deposits	156,042	150,001
NZ Accounts	39,485	40,006
Westpac Savings Account	20,595	29,415
National Bank of NZ	7,534	8,750
National Bank of NZ No. 2	12,640	9,327
Conference Account	372	14,478
	246,842	266,402
NOTE 5: TRADE AND OTHER RECEIVABLES		
Trade Debtors	13,150	196
Less: provision for impairment of receivables	(13,150)	-
GST Receivable	3,363	1,982
Prepaid expenses	2,889	28,547
	6,252	30,725
NOTE 6: PROPERTY, PLANT AND EQUIPMENT		
Office Equipment at cost	15,619	4,318
Accumulated depreciation	(7,337)	(3,363)
	8,282	955

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 6: PROPERTY, PLANT AND EQUIPMENT (continued)

	Office Equipment $
Balance at the beginning of year	955
Additions	11,300
Disposals	-
Depreciation expense	(3,973)
Carrying amount at 30 June 2011	8,282

	2011 $	2010 $
NOTE 7: TRADE AND OTHER PAYABLES		
CURRENT		
Accrued audit fee	4,500	3,080
Trade and other payables	977	3,033
	5,477	6,113
NOTE 8: CASH FLOW INFORMATION		
a. **Reconciliation of Cash**		
Cash on hand and at bank	246,842	266,402
b. **Reconciliation of Cash Flow from Operations with Net income after Income Tax**		
Net income/(loss) after income tax	(36,204)	46,678
Non-cash flows in net income		
Impairment expense	13,150	-
Depreciation	3,973	636
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	11,323	(21,563)
Increase/(decrease) in trade and other payables	(636)	2,605
Increase/(decrease) in income in advance	134	(3,870)
Net cash inflow/(outflow) from operating activities	(8,260)	24,486

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

NOTE 9: FINANCIAL RISK MANAGEMENT

The Association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments and accounts receivable and payable.

Financial Risk Management Policies

Senior management regularly reviews the financial risk exposure and puts in place appropriate risk management measures to assist the Association in meeting its financial targets whilst minimising potential adverse effects on financial performance. Senior management operates under risk management policies approved and reviewed on a regular basis by the Committee of Management. These include credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

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

a. **Credit risk**

Credit risk arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the association. Credit risk arises primarily from exposures to customers and deposits with financial institutions.

Credit risk is managed through maintaining procedures ensuring, to the extent possible, that customers and counterparties to transactions are of sound credit worthiness and includes the utilisation of systems for the approval, granting and renewal of credit limits, the regular monitoring of exposures against such limits and the monitoring of the financial stability of significant customers and counterparties. Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the have been cleared as being financially sound.

Credit risk exposures

The association does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into. The trade receivables balances at 30 June 2011 and 30 June 2010 do not include any counterparties with external credit ratings.

Balances with banks and other financial institutions are only invested with counterparties with a Standard and Poor's (S&P) rating of at least AA.

b. **Liquidity risk**

Liquidity risk arises from the possibility that the association might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. Risk is managed through the following mechanisms:

- preparing forward-looking cash flow analyses
- monitoring undrawn credit facilities;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions.

The tables below reflect an undiscounted contractual maturity analysis for financial assets and liabilities. Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 9: FINANCIAL RISK MANAGEMENT (continued)

b. **Liquidity risk (continued)**

2011	Notes	**Within 1 Year $**	**1 to 5 Years $**	**Over 5 years $**	**Total $**
Financial assets					
Cash and deposits	4	246,842	-	-	246,842
Receivables	5	6,252	-	-	6,252
Total anticipated inflows		253,094	-	-	253,094
Financial liabilities					
Payables	7	5,477	-	-	5,477
Total expected outflows		5,477	-	-	5,477
Net inflow on financial instruments		247,617	-	-	247,617

2010	Notes	**Within 1 Year $**	**1 to 5 Years $**	**Over 5 years $**	**Total $**
Financial assets					
Cash and deposits	4	266,402	-	-	266,402
Receivables	5	30,725	-	-	30,725
Total anticipated inflows		297,127	-	-	297,127
Financial liabilities					
Payables	7	6,113	-	-	6,113
Total expected outflows		6,113	-	-	6,113
Net inflow on financial instruments		291,014	-	-	291,014

c. **Interest rate risk**

Interest rate risk arises from the potential impact of future changes in interest rates on the fair value of fixed rate financial instruments or on future cash flows and interest charges of variable interest rate borrowings. Interest rate risk is managed using a mix of fixed and floating rate debt.

Sensitivity analysis

The following table illustrates sensitivities to the association's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

	Profit $
Year ended 30 June 2011	
+/- 2% in interest rates basis points	4,973
Year ended 30 June 2010	
+/- 2% in interest rates basis points	6,616

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2011

NOTE 9: FINANCIAL RISK MANAGEMENT (continued)

c. **Interest rate risk (continued)**

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities approximate the carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

THE AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC
ABN 75 063 016 455

STATEMENT BY THE COMMITTEE OF MANAGEMENT

In the opinion of the Committee of Management, the financial report as set out on pages 1 to 18:

1. Presents a true and fair view of the financial position of the Australian and New Zealand Sports Law Association Inc. as at 30 June 2011 and its performance for the year ended on that date in accordance with Australian Accounting Standards, (including Australian Accounting Interpretations) of the Australian Accounting Standards Board and the Associations Incorporations Act 1981.

2. At the date of this statement, there are reasonable grounds to believe that the Australian and New Zealand Sports Law Association Inc. will be able to pay its debts as and when they fall due.

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

Ian Hunt
President

Andrew Gibson
Treasurer

Dated this 12 March 2012

msi RAGG WEIR
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC

We have audited the accompanying financial report of Australian and New Zealand Sports Law Association Inc. (the association) which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the members of the committee.

Committee's Responsibility for the Financial Report

The Committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 1981 and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating the 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. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation and fair presentation 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor's Opinion

In our opinion the financial report of Australian and New Zealand Sports Law Association Inc. is in accordance with the Associations Incorporation Act 1981 including:

(a) giving a true and fair view of the Association's financial position as at 30 June 2011 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Associations Incorporation Act 1981.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

L.S. WONG
Partner

Melbourne 13 March 2012

msi RAGG WEIR
Chartered Accountants

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COMPILATION REPORT
TO AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC.

Scope

We have compiled the accompanying special purpose financial statements of the Australian and New Zealand Sports Law Association Inc. which comprises the attached detailed profit and loss statement for the year ended 30 June 2011 on page 23.

The specific purpose for which the special purpose financial statements have been prepared is to provide financial information to the committee of management.

The Responsibility of the Committee of Management

The committee of management is solely responsible for the information contained in the special purpose financial statement and has determined that the basis of accounting adopted is appropriate to meet the needs of the committee of management.

Our Responsibility

On the basis of the information provided by the committee of management we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the committee of management provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statement was compiled exclusively for the benefit of the committee of management. We do not accept responsibility to any other person for the contents of the special purpose financial statement.

MSI Ragg Weir

MSI RAGG WEIR
Chartered Accountants

Melbourne 13 March 2012

THE AUSTRALIAN AND NEW ZEALAND SPORTS LAW ASSOCIATION INC
ABN 75 063 016 455

DETAILED PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

	2011 $	2010 $
Income		
Members' subscriptions	59,203	61,793
Interest received	9,524	7,439
Conference income	109,345	108,371
Sponsorship Income	15,126	15,279
Sundry	99	6,314
	193,297	199,196
Expenditure		
Accommodation and Travel	7,449	2,645
Accounting expenses	5,423	1,365
Administration expenses	514	302
Advertising	2,064	183
Audit expense	4,500	3,080
Bank charges	962	825
Communication expenses	4,250	4,779
Conference expenses	108,606	73,338
Consultancy fees	48,325	45,137
Depreciation	3,973	636
Document Storage	510	121
Dues & Subscriptions	-	166
Exchange rate variance	1,808	2,630
Insurance	2,527	1,767
Internet	147	581
Legal fees	5,671	-
New Zealand expenses	1,113	-
Paul Trisley Winner	-	1,179
Postage and delivery	465	726
Printing and stationery	6,940	5,163
Provision for doubtful debts	13,150	-
Strategic planning day	5,183	-
Functions/Meetings	3,573	4,053
Website and database costs	2,348	3,842
	229,501	152,518
Net profit/(loss) before income tax	(36,204)	46,678

This statement should be read in conjunction with the compilation report set out on page 22.