

NEWCASTLE LAW SOCIETY INCORPORATED
FINANCIAL REPORT

For the Year Ended 30 June 2011

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INDEPENDENT AUDIT REPORT

Scope

I have audited the financial report, being a special purpose financial report of Newcastle Law Society Incorporated for the year ended 30 June 2011. The Committee is responsible for the financial report and has determined the accounting policies used and described in Note 1 to the financial statements which form part of the financial report are appropriate to meet the requirements of the Associations Incorporations Act and are appropriate to meet the needs of the members. I have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Newcastle Law Society Incorporated. No opinion is expressed as to whether the accounting policies used are appropriate to the needs of the members.

The financial report has been prepared for the purpose of fulfilling the requirements of the Associations Incorporation Act. I disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than for which it was prepared.

My audit has been conducted in accordance with Australian Auditing Standards. My procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report and the evaluation of accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with accounting policies described in Note 1 so as to present a view which is consistent with our understanding of the Association's financial position and its performance represented by the results of its operations. These policies do not require the application of all Accounting Standards and other mandatory professional reporting requirements in Australia.

The audit opinion expressed in this report has been formed on the above basis.

Independence

I confirm that I have complied with the independence requirements of the Institute of Chartered Accountants in Australia.

Audit Opinion

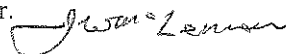
In my opinion, the financial report presents fairly in accordance with the accounting policies described in Note 1 to the financial statements, the financial position Newcastle Law Society Incorporated as at 30 June 2011, and the results of its operations for the year then ended.

Emphasis of Matter

The Society does not maintain adequate records to ensure completeness of receipt of all income to which it is entitled. Reliance is placed on the oversight of the Treasurer and the Board to ensure that all material amounts of income for functions and other activities conducted by the Society are, in fact, received.

Furthermore, whilst the financial statements prepared for the year ended 30 June 2010 had taken into account items required for the purposes of accrual accounting, the statements prepared for the year ended 30 June 2011 had been prepared on a cash basis, subject to the reversal of the amounts that had been accrued as at 30 June 2010. I am not aware as to the effect that the failure to apply accrual accounting in 2011 has had on the financial statements prepared as at 30 June 2011.

Further comment on these matters has been drawn to the attention of the Committee in an audit management letter.



J.W. McLennan, Fellow of Institute of Chartered Accountants in Australia
Newcastle, 6 February 2012

NEWCASTLE LAW SOCIETY INCORPORATED


STATEMENT BY MEMBERS OF THE COMMITTEE


The Committee has determined that the association is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In the opinion of the Committee the financial report:

1. Presents fairly the financial position of Newcastle Law Society Incorporated as at 30 June 2011 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Newcastle Law Society Incorporated 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 and is signed for and on behalf of the Committee by:

President..... 

Treasurer..... 

Dated this ²¹..... Day of February 2012.

NEWCASTLE LAW SOCIETY INCORPORATED

CERTIFICATE BY MEMBERS OF THE COMMITTEE

I, GARY FOX of 4) KING ST NEWCASTLE and I
BUNY POWELL of 456 THE ESPRANADE
WADNERS BAY certify that:

- (a) We are members of the committee of Newcastle Law Society Incorporated.
- (b) We attended the annual general meeting of the Association held on2012.
- (c) We are authorised by the attached resolution of the committee to sign this certificate.
- (d) This annual statement was submitted to the members of the Association at its annual general meeting.

Dated this 21 day of February 2012.

Signed: (G) Fox

Signed: B Powell

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

| | 2011 | 2010 |
|-----------------------------------|---------------|---------------|
| | \$ | \$ |
| <u>CURRENT ASSETS</u> | | |
| <u>Cash</u> | | |
| Cash at Bank | 19,646 | 14,456 |
| Term Deposit | 25,000 | 25,000 |
| | <u>44,646</u> | <u>39,456</u> |
| <u>Receivables</u> | | |
| Accrued Interest Receivable | - | 180 |
| Prepayments | - | - |
| | <u>-</u> | <u>180</u> |
| TOTAL ASSETS | <u>44,646</u> | <u>39,636</u> |
| <u>CURRENT LIABILITIES</u> | | |
| <u>Creditors & Borrowings</u> | | |
| Creditors and Accruals | - | 875 |
| TOTAL LIABILITIES | <u>-</u> | <u>875</u> |
| NET ASSETS | <u>44,646</u> | <u>38,761</u> |
| ACCUMULATED FUNDS | <u>44,646</u> | <u>38,761</u> |

The accompanying notes form part of these financial statements.

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INCOME AND EXPENDITURE STATEMENT
for the YEAR ENDED 30 JUNE 2011

| | 2011 | 2010 |
|--|---------------|---------------|
| | \$ | \$ |
| <u>INCOME</u> | | |
| Functions | 11,683 | 19,848 |
| Membership receipts | 27,385 | 28,335 |
| Seminars | 44,218 | 28,205 |
| Seminar papers | 125 | 150 |
| Interest received | 1,230 | 1,146 |
| Sponsorship | 0 | 1,000 |
| Grants received | 0 | 3,130 |
| | <u>84,641</u> | <u>81,814</u> |
| <u>EXPENSES</u> | | |
| Administration | 29,200 | 16,702 |
| Audit Fees | 0 | 875 |
| Awards | 3,430 | 2,000 |
| Bank charges | 639 | 585 |
| Functions | 29,453 | 43,703 |
| Insurance | 1,795 | 720 |
| Newsletter Printing and Website | 3,161 | 3,512 |
| President's Expenses | 0 | 1,283 |
| Room Hire | 3,812 | 4,591 |
| Seminars | 3,910 | 1,453 |
| Sundry Expenses | 1,984 | 340 |
| Telephone | 1,372 | 1,305 |
| Travel and entertainment | 0 | 703 |
| | <u>78,756</u> | <u>77,772</u> |
| NET SURPLUS for YEAR | 5,885 | 4,042 |
| Accumulated Funds Brought Forward | 38,761 | 34,719 |
| Accumulated Funds at the end of the Year | <u>44,646</u> | <u>38,761</u> |

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 report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act (NSW). The Committee has determined that the Association is not a reporting entity.

The financial report has been prepared in accordance with the requirements of the Associations Incorporations Act (NSW) and the following Australian Accounting Standards:

AAS 5 Materiality

AAS 8 Events Occurring After Reporting Date

No other applicable Accounting Standards, Urgent Issues Group Consensus Views or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

The financial report has been prepared on a cash basis and is based on historic costs and does not take into account changing money values, or except where specifically stated, current valuations of non-current assets.