



institute of  
**MANAGERS  
AND LEADERS**  
australia | new zealand

# 20 20

## Annual Report

**Creating better managers and  
leaders for a better society.**

[managersandleaders.com.au](http://managersandleaders.com.au)

# Creating better managers and leaders for a better society.

The Institute of Managers and Leaders Australia and New Zealand (IML ANZ) is a not-for-profit Membership organisation and the peak body for managers and leaders in Australia.

IML ANZ assesses and awards the globally recognised Chartered Manager designation, the gold standard marque of management and leadership excellence. The Institute is also the principal Membership body for businesses that take management and leadership seriously, and for universities who are looking to gain a competitive edge by accrediting their leadership-focused courses.

At IML ANZ, we believe that leadership matters. This belief lies at the heart of everything we do. For more than 75 years, we have been supporting professionals on their leadership journeys. Representing 350,000 individuals – from multinationals to small local businesses, from interns to CEOs, in Australia, New Zealand and beyond – IML ANZ sets the standard for management and leadership excellence. This supports our vision, 'Creating better managers and leaders for a better society'.

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# From the Board Chair



**John Withers CMgr FIML**  
Chair, IML ANZ

## **I am delighted to present the 2020 Annual Report for the Institute of Managers and Leaders Australia and New Zealand (IML ANZ).**

During my first year as Chair, the entire landscape upon which our Institute operates faced enormous change and challenges. Worldwide, the pandemic presented a mammoth test for all leaders in both the private and public sectors. I am certain that, like me, you too heard about the struggles of leaders as we entered uncharted territory. Despite this, I am overwhelmed by a sense of optimism having seen numerous managers and leaders stepping up and embracing the changes brought on by the pandemic.

My fellow Directors and I were acutely aware of the need to make tough decisions to ensure a sustainable future for IML ANZ. Although paring back our 2020 budget was necessary; I am pleased to report that the value we offer as the peak body for managers and leaders in our region has not diminished. Quite the contrary, IML ANZ reached more professionals whose locations would otherwise have restricted them from accessing our products and services. We delivered programs, workshops and Masterclasses virtually allowing us to extend our reach and assist more managers and leaders than ever before. As our organisation pivoted with great speed and agility to deliver face-to-face sessions online, I am reassured that we are capable of providing the support, knowledge and development that our Members require and expect of us, no matter what circumstances arise.

With the advent of physical distancing as a daily reality for us, prioritising our people's mental well-being became an even more pressing matter. It was at this point during the pandemic when our Members found solace in their IML ANZ community. Just as we have shifted the manner in which our learning and development products are delivered, so too did we ramp up our networking events. What was initially seen as an obstacle became an unexpected advantage when it came to bringing our Members together. Rather than drifting apart, the opportunities we created for people to network virtually brought our Australian and New Zealand communities closer. Instead of the usual geographic limitations, virtual networking events could be made available to everyone within the IML ANZ network. When isolation was proving a poison to the wellness of so many professionals, virtual networking became the potent antidote that helped our Members emerge stronger.

In many ways, the pandemic and its ensuing effects on our community, economy and society had seemingly set a grim scene at the beginning of 2020. However, as each week and month elapsed, and with each adjustment we carried out, I became convinced that our Institute would not be defined by what the pandemic took away from us. Rather, 2020 would be a year that highlighted our incredible resilience as an organisation.



# From the Board Chair



Indeed, at a time when many similar Institutes were reducing their Membership offerings, we had introduced several new ones.

The arduous business environment brought to light the need for managers to understand crucial leadership competencies. Identifying this need spurred IML ANZ to introduce Virtual Development Days. Each day comprised several individual hour-long sessions focusing on a specific aspect of a broader topic. The sessions were led by our well-established program facilitators and were an excellent sampler of the quality of our Intentional Leadership programs. In the first Development Day, in May, we supported managers by equipping them with the tools they would need to successfully coach, strategise and promote teamwork within remote teams and in a virtual workplace. The second Development Day, held in September was dedicated to the essential skill of resilience. More than an intellectual exercise, this Development Day aimed to explore the practical application of a skill that proved most crucial in 2020.

The results and feedback from both days have been astounding. Between both days we recorded a staggering 11,000 registrations from all over Australia and New Zealand. For me, this emphasised our foresight in anticipating the learning and development requirements of those in our profession.

In 2020, IML ANZ could finally heed the requests of a growing number of professionals in regional centres who had indicated a need for more flexible learning options. As part of our Intentional Leadership series of programs, we designed a completely virtual offering that provides the core management and leadership skills that are prerequisites for management success: The Intentional Leadership Essentials program. Best-in-class experts facilitate the four-week program and, like all our other Intentional Leadership programs, it features practical learnings that participants can

apply straightaway in their own workplace. To date, it has been an invaluable resource for hundreds of new managers and leaders in Australia and New Zealand who need to learn fundamental management skills in a format and timeframe that suits their needs.

As part of our efforts to modernise the way our Members interact with the Institute, 2020 saw the launch of our newly improved website. The clean and contemporary layout comes as a result of our desire to make the website easy to use and navigate. It is also a statement piece that propels our brand into the modern world of work and represents the simplicity, practicality, and accessibility that we would like our Institute to be known for. The new website has played an enormous role in upgrading our digital presence and enhancing how our external platform integrates with our internal systems. It has become a central hub for attracting new managers and leaders to join our community and access our products and services.

Accompanying the new website is the revitalised Member Portal. Our goal is to create a resource that can be personalised to the leadership journeys of our Members. The transformation meant that we could direct Members to articles, webinars, and events that are most relevant to their professional goals. In addition, the new portal assists Members to keep track of their continuous professional development and document the skills and growth they have acquired throughout their leadership journey.

Helping our Members maintain a keen appetite for learning is just one way we support them to become Intentional Leaders. By empowering Members to manage their leadership development on a personalised, intuitive, and comprehensive platform, we promote a habit of lifelong learning.

## Financial results

	2017	2018	2019	2020
Revenue	\$7,340,224	\$7,260,192	\$7,116,186	\$6,539,112
Expenses	\$9,745,887	\$11,319,226	\$11,414,286	\$9,578,952
Operating loss	\$2,405,663	\$4,059,034	\$4,298,100	\$3,039,840
Total comprehensive loss	\$779,314	\$6,111,664	\$2,348,309	\$3,117,627

2020 was a difficult year, both in social as well as in economic and financial terms. IML ANZ started off very strongly in quarter one, exceeding its budget that had been approved by the Board in November 2019 – way before the global pandemic was in sight. The effect of COVID-19 and the lock down on our monthly results for April and May was significant, and the Board and management team revised the forecast for the remainder of 2020 in light of the long and slow road to recovery that was expected for Australia's economy. We made hard and fast decisions to significantly cut our cost base while putting all effort into ongoing revenue generation. And this strategy paid off – while revenue decreased by 8% overall in 2020 compared to 2019, we were able to reduce our cost base by 16%. The outcome was a \$3 million operating loss which sees us on a trajectory to return to break even by the end of 2022.

## Membership

The new Membership year started in a strong position with an opening number of 8,958 Members across Australia and New Zealand. This was due to a successful 2019 renewal year where we experienced an 8% growth.

With 2020 being such a turbulent year, we have seen a slight decline in the IML ANZ Membership of 5.1%. In forecasting the impact on Membership throughout 2020, there were times when we thought the impact on the business would be a lot worse. But, in times of crisis, we need better managers and leaders

more than ever. We were told of numerous examples about how Membership with IML ANZ made a difference to how they fared through the uncertainty – whether they were furloughed, took a redundancy or lead a team through the pandemic. The virtual networking, constant webinars and informative newsletters gave them much-needed insights and tips.

As more products and services are added to our ever-evolving membership value proposition, we are hopeful of returning to growth again in 2021, increasing the IML ANZ community.

	2019	2020	Change
Membership	8,958	8,497	-5.1%

## What's in store for 2021?

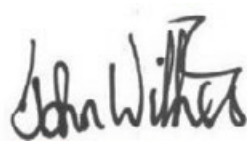
Whilst much was achieved amidst an undoubtedly difficult year, the fact remains that we must now focus on bringing our organisation back to profitability. Management have closely scrutinised the way we conduct business and have identified measures that will continue to control expenditure levels to ensure we are allocating resources where it will yield the best results. Aiding our goal of shifting revenue upwards is our carefully designed product offering that caters to managers' leadership development needs, whether they are in the early stages of their journey or more experienced senior leaders.

As the COVID-19 situation continues to evolve, our priority is to respond and act based on what is best suited to the external environment in which we operate. As such, the delivery of large-scale events will remain under close review for the time being. As I write this, Australia has already begun taking significant steps to permanently control the pandemic through vaccination, and lockdown restrictions continue to ease in all states and territories. Likewise, New Zealand continues to have some of the lowest infection rates in the world. I am hopeful that our region is very close to once again being able to host large-scale events without posing significant health and safety risks to attendees.

The events of 2020 had helped leaders to rethink the merit of agility. As a Board, we have also reflected on other ways we can move with agility. In particular, the way we keep our Membership informed, engaged and energised by the latest leadership ideas has changed with the times. Therefore, we made the decision to alter the way we deliver the Leadership Matters magazine. Instead of a quarterly print publication, 2021 will see Members receive a monthly newsletter. In addition, we are looking forward to launching our brand-new podcast in 2021. The popularity of podcasts has skyrocketed as it has become a pragmatic way to take in knowledge, information and new ideas. Our goal is to provide Members with relevant leadership thinking in a format that best suits our modern lifestyles.

Given the success that our Virtual Development Days posted, these will become a regular feature in our learning and development calendar in 2021. This includes delivering three separate Virtual Development Days in March, June and September.

In contrast to how it began, 2020 ended for the Institute with vast amounts of potential and an undeniable sense of hope. We push through with our plans knowing we weathered a once in a lifetime trial of our capability, agility and resolve. To emerge in a position like we have, with products and services that are attuned to market needs, places us in good stead for the year ahead.



**John Withers CMgr FIML**

Chair of Board

# 2020

# Summary of the year

2020 was a year that will be remembered by many of us for its personal and financial challenges – and IML ANZ was no exception to that. We had ambitious growth plans, driven by the continued roll out of our flagship public development programs ‘Foundations’ and ‘Accelerate’ plus our tailored in-house solutions for corporate clients.

Before COVID-19 arrived and most of Australia went into lockdown, we were celebrating strong quarter one results. From one day to the next we were faced with pausing our face-to-face Member engagement, a decentralised team working away from offices and taking all development programs to a virtual delivery mode.

While the first months of the pandemic impacted IML ANZ’s financial performance significantly, we saw a recovery in the second half of the year. As a result, total revenue decreased by 8% year-on-year in 2020. This was mainly attributable to:

- A reduction in events income as for most of 2020 there were no large-scale face-to-face events possible (-43%);
- Significantly lower investment income due to the ongoing volatility of capital markets (-42%); and

- Stagnating salary and employment levels across Australia translating into lower demand for the National Salary Survey (-22%).

At the same time, demand for our consulting and development products exceeded our expectations by far and achieved 26% growth year-on-year in 2020.

Due to hard and fast decisions made by the IML ANZ Board and Leadership team early in the pandemic, we were able to reduce expenses disproportionately (-16%) and overcompensate for the loss in revenue:

- We changed our marketing approach from brand building and printed collateral to product-focused and digital campaigns, allowing us a saving of over \$0.5 million in 2020 (-70%);





- We reviewed all processes and delivery methods and streamlined cost of sales spending by over \$0.4 million (-25%); and
- We reduced our physical footprint, saving us over \$0.2 million in rent and office costs (-45%).

Overall, this resulted in a loss for the year 2020 of \$3 million which was significantly better than the Board approved COVID-19 forecast and reflective of the continuation of the Institute's Leadership Matters turnaround strategy.

The total comprehensive loss for the year was \$3.1 million and includes \$80,000 of unrealised gains relating to our investment portfolio.

IML ANZ's balance sheet remains strong, mainly due to the significant value of the Institute's long-term investment portfolio (presented as 'available for sale financial

assets') which amounted to \$18.4 million. Net assets were a healthy \$19.5 million as at 31 December 2020.

While the coming months and potentially years will continue to be challenging and see some of the social and economic change brought about by the pandemic continue, IML ANZ is well positioned on its path towards break-even and profitability in the near future.

# 20 20

Annual  
Report

## The voice of the IML ANZ community


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Throughout 2020 the Institute was mindful of listening – and responding – to the needs of our Members.

In an un-precedented year, where the external environment shifted in different ways for our community, our Membership team were on hand to help. Hear from our Members on how the value of their Membership helped them navigate 2020.



# Learning & Development



Despite the delivery challenges for our learning and development activities during 2020, including the shutdown of our face-to-face activities, IML ANZ managed to deliver to 8350 participants through a combination of Webinar, Masterclass and Development Day sessions. The breakdown of these activities were:

- 48 Masterclass sessions delivered to 1100 participants
- 34 Webinar sessions delivered to 5750 participants
- 2 Development Days featuring 1500 participants.

The Intentional Leadership programs were also well supported despite pivoting from face-to-face to virtual delivery from March 2020. The breakdown of these programs were:

- 8 Accelerate Leadership programs
- 12 Foundations Leadership programs
- 6 Essentials Leadership programs

The feedback from IML ANZ's learning and development activities was predominantly rated in the 85% and over category which is testament to the practical content and expert delivery by IML ANZ facilitators.

“I feel empowered to make adjustments within my team for better outcomes.”

**Melissa Volp**

Manager, NDIS Service Development and Tranquility Care Services

“I am now able to recognise patterns in my own behaviour, how I may be perceived by others, and what my motivators and stressors are. I am becoming more self-aware of my management style.”

**Oona Phillips**

Senior Heritage Registrar, Aboriginal Victoria, Department of Premier and Cabinet (VIC)



# Corporate Solutions

IML ANZ continued to drive growth through our Corporate Solutions strategy. Corporate Solutions include the in-house delivery of programs, diagnostic tools, topic-specific workshops and webinars on bespoke learning needs for clients. In total, IML ANZ delivered corporate services to 60 organisations through mostly virtual formats as COVID-19 restrictions removed the face-to-face delivery option. These engagements helped train and develop 950 managers and leaders across both Australia and New Zealand.

An example of a Corporate Solutions project was with South Western Sydney Local Health District. Below is an analysis of this project:

## South Western Sydney Local Health District

### Program overview

South Western Sydney Local Health District (SWSLHD) manages 6 acute public hospital and 14 community health centres across 7 local government areas, providing healthcare services to a diverse community of more than 800,000 people.

SWSLHD developed Transforming Your Experience (TYE), a five-year road map to positively transform how patients, staff and communities experience the organisation and its services. A critical component of TYE is the development of shared organisational leadership that is collaborative and transparent. A development initiative was required that stretched and challenged senior leaders in order to identify those with Executive leadership potential.

CASE STUDY

## Program design

IML ANZ worked with key stakeholders at SWSLHD to co-design the bespoke TYE Leadership Academy.

The TYE Leadership Academy provides participants with a 12-month leadership program that combines current leadership and management theory and practical workplace application through group workplace projects with 360 assessments, coaching and mentoring.

Participants receive a Certificate 5 in Leadership and Management from the Chartered Management Institute and can apply to become Chartered Managers, continuing their professional development journey.

Due to the scale and scope of the Program, SWSLHD had specific requirements for the Program design and delivery.

## Program effectiveness

Program effectiveness was monitored throughout delivery with participants providing feedback after each face-to-face session and online learning components:

- **100% of participants** agreed or strongly agreed that learnings from the face-to-face sessions could be applied in their current role and their leadership journey
- **100% of participants** agreed or strongly agreed that the online content provided knowledge and insights into leadership and management

During April 2020, participants were interviewed to provide feedback on their overall experience within the TYE Leadership Academy.

- **100% of respondents** reported that their leadership skills have improved as a result of the Program
- **100% of respondents** reported they recommend the Program to others and would mentor the next cohort

## Program outcomes for the organisation

The Program is still in progress however current results demonstrate the TYE Academy supports SWSLHD succession planning strategy and its goal to remain an employer of choice that invests in the professional development of its staff.

- **80%** of participants were provided a secondment opportunity for senior leadership roles within SWSLHD either throughout delivery of the Academy or post Program
- **33%** of the current cohort were reviewed by the Academy leadership team and determined as ready for executive leadership roles





# Chartered Manager

2020 was an interesting year for Chartered Manager in Australia and New Zealand. On the surface, it is the perfect time to become a Chartered Manager to set yourself apart from the competition, although it was a tough year for the designation.

For the full 2020 year we had 134 Members commence the Chartered process and 78 complete and receive the Chartered Manager designation. We continue to focus on supporting Members going through the process, using webinars and one-on-one support with a view to increasing completion rates.

It is possible that while 2020 could have been a year of reflection, it didn't translate for CMgr – perhaps it was more of a year of survival and looking after ourselves and our teams to get through and this is reflected in the numbers. IML ANZ continues to develop awareness and interest in the designation and make some enhancements to messaging and target markets, and already in the first two months of 2021 we have achieved a third of the applications that we did in 2020.

What we do know is that we retain CMgrs at much higher rates, and we saw a 98% retention rate for CMgrs in 2020. This speaks to the value that Chartered Managers place on the designation and their continued professional development, and is a key success factor for accreditation as part of IML ANZ's offering.

“The Chartered Manager process was an incredibly reflective activity. This reflection has allowed me to strengthen my practice for the future and identify areas of improvement and, more importantly, supported a plan for this to be achieved. I'm proud to have achieved the world class recognition.”

**Jacob Waitere CMgr FIML**

Head of Operations, Accommodation at the University of Auckland

“I found the Chartered Manager process to be a great way to learn about myself and find opportunities for further development. I'd recommend it to anyone looking to gain accreditation for their current skills and experience while developing a path for future improvement.”

**Chris McDougall CMgr FIML**

“Like most CEOs and those in senior management positions, I push myself to squeeze every second out of every day, close out issues, add value to the organisation whilst mentoring my team through the daily challenges of business.

I strongly believe that most of us in management roles quickly find ourselves on the hamster wheel of life, ticking things off and moving on to the next thing needing our attention. The Chartered Manager accreditation process challenged me to stop, examine and reflect on my past experiences in detail. I found this both challenging, in terms of having to pause and take time to reflect on my personal successes, and rewarding, because by taking the time to stop and recount, I took the time to appreciate my own personal growth over the years.

I would highly recommend this process to all experienced managers and leaders. Now having an intimate knowledge of the process, I have the utmost respect for any of my peers with the post nominals CMgr.”

**Tracey Scanlan CMgr FIML**  
CEO, Ability Enterprises



“I am really pleased that a recognised designation (Chartered Manager) with gravitas has become accessible to Australian and New Zealand based professionals involved in leading and managing people. It improves the professionalism and works towards recipients being better recognised for their hard-earned skill sets. Companies in our region need to be looking for leaders with this designation as the pinnacle for leadership roles in their organisations.”

**Duncan Allen CMgr FIML**  
Galvin Engineering



# IML ANZ Members:

## AU and NZ

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Retaining and acquiring Members in a pandemic was a daunting prospect. We'd started in a strong position with an opening number of 8,958 Members across Australia and New Zealand after a strong 2019 renewal year where we experienced an 8% growth.

Unfortunately – but not surprisingly – we saw a slight decline in IML ANZ Membership of 5.1%. With 2020 being such a turbulent year, we braced ourselves for much worse and so we are pleased that we retained as many members as we did and even acquired Members in the peak of uncertainty with a Membership campaign.

While we were unable to deliver face-to-face events after mid-March – we moved to virtual networking and events within a fortnight. Providing timely, relevant, and quality content live and on demand was our primary focus, to ensure that our Members and community had the support and knowledge they needed to continue to be better managers and leaders in these unprecedented times. We were told of numerous examples about how Membership with IML ANZ made a difference to how they fared through the uncertainty – whether they were furloughed, took a redundancy or lead a team through the pandemic. The virtual networking, constant webinars and informative newsletters gave them much-needed insights and tips.

As more products and services are added to our ever-evolving membership value proposition, we are hopeful of returning to growth again in 2021, in order to increase the IML ANZ community.





"I have found my IML ANZ Membership to be extremely valuable in the resources available in the expert advice provided in the many blogs and webinars. Being a Member of many associations I find IML ANZ to be one of the best in what is offered to its Members. I look forward to receiving the IML ANZ monthly newsletter that dependably keeps me informed in leadership and management industry trends."

**Rosalie Pellew MIML**

Lead Trainer – School of Business,  
Open Colleges

"Joining IML ANZ has been one of the best decisions I've made professionally – the many resources available as part of the membership at no extra cost make this the best value for money of any of my memberships, and are of such wonderful quality."

**Lauren Garvey (CA, CMgr AFIML, MICM, MHFA)**

National Manager – Credit and Collections;  
Project Accounting Team Lead (Aus & NZ),  
Golder

"IML ANZ's Member Connect events are not to be missed events, and always leave me wanting more. The chosen topics are relevant and topical, and delivered by presenters at the top of their game. All will get you thinking on how to apply within your organisation. You will not be disappointed."

**John Groarke AFIML**

Principal, JEGMC

"It is a privilege to be a Member of such a professional (relevance, quality and timeliness) organisation."

**Kerry Fortescue MIML**

Organisational Change Manager,  
Department of Child Safety,  
Youth and Women



# Mentoring

## Member Exchange 2020

Throughout 2020 the Institute's mentoring program, Member Exchange, continued to support Members through our four-month program. Historically, mentors and mentees have had the option of virtual or face-to-face meetings, and with the shift in working practices in 2020, the cohorts moved to online meetings which allowed them to connect with leaders across Australia and New Zealand seamlessly at such a turbulent time.

We delivered five cohorts throughout the year with 306 Members participating. Affiliate Members also embraced the program with a record number taking part through our partnerships with Higher Education Institutions.

"I am so grateful to have been allocated a mentor who holds such incredible experience and knowledge, and importantly, the passion for helping others succeed. I have thoroughly enjoyed the program and appreciate the invaluable guidance and time that she has provided, and still continues to offer. She's an amazing woman and leader, who inspires me to make a difference and be better regardless of the challenges."

**IML ANZ Mentee**

"I really enjoyed working with my mentee and sharing my knowledge and experience with her. It's been very rewarding to witness and hear about all the progress and shifts that she has made since the program began four months ago."

**IML ANZ Mentor**

"I have not only enjoyed this program, but I have gained valuable experience. I would highly recommend IML ANZ to family and friends."

**IML ANZ Mentee**

"The whole program was helpful. The insight into values and how they play a significant role in how we work and how we manage our time were particularly helpful. Also, the discussion around forming positive habits to maintain work life balance and to excel in your career."

**IML ANZ Mentee**





# Migration Skills Assessment

IML ANZ has been an Assessing Authority appointed by the Australian Government to assess senior management skills for the purpose of skilled migration to Australia for over 20 years. What better way than to use this milestone as impetus for change and modernisation?

In 2020 this business function was given a new name – formally the ‘Skilled Migration Assessment Unit’ now known as the ‘Migration Skills Assessment Team’ aligning the terminology used by other assessing authorities and aiding international applicants to locate our services when searching the internet.

Advances to the Migration Skills Assessment unit were also made to the application process – moving from a paper-based system to adopting digital form submissions. The old system presented challenges with lengthy applications, postage costs and longer assessing timeframes. As of July 2020, applicants can now access all information relating to IML ANZ Migration Skills Assessment services, an online application form, plus a payment gateway via the website and upload supporting documents digitally.

We also focused on the occupational assessment framework. Two components form the basis of IML ANZ's Migration Skills Assessment for senior management:

1. The assessment of qualifications based on the Country Education Profiles prepared by the Australian Department of Education; and
2. The assessment of work experience which takes into consideration the Australian and New Zealand Standard Classification of Occupations (ANZSCO) issued by the Australia Bureau of Statistics and information about the positions held by the applicants.

In the past, work experience was assessed according to a hierarchical organisation structure which requires direct delegation to subordinate managers who in turn directly delegate

to managers and supervisors. Over time, many companies have changed to a flat organisation structure with few or no levels of management between management and staff level employees. This has meant that some senior managers were not able to meet IML ANZ's occupational assessment criteria which required a hierarchy of reporting lines.

IML ANZ therefore decided to embark on a research and consultation process in the second half of 2020 to determine trends in:

- leadership and managerial skills;
- technical skills; and
- other skills and qualifications expected of senior managers employed in Australia in the year 2020 and beyond.

The aim of this research and consultation process was to:

- create an up-to-date profile of what Australian employers are looking for and value most in applicants when recruiting for senior managers; and
- use this information to align the current IML ANZ occupational assessment framework to this latest set of occupational data.

Since completing the review, the Australian Government has approved IML ANZ's modernised occupational assessment framework and will be live in the first quarter of 2021. The roll out will be supported by a multi-channel, international communication and education campaign.



# Higher Education

Pathway Partnerships are a key strategic driver to IML ANZ's Leadership Matters strategy. Via our Higher Education partners we are driving large cohorts of students to IML ANZ, some of which also embark on the pathway to become Chartered Managers.

The Higher Education industry was one of the hardest hit in 2020. The Institute is proud to have had the opportunity to support staff and students from our Higher Education Partners throughout a very challenging year for the sector.

We quickly realised that the priority was ensuring all partners were provided with virtual engagement and support to increase or maintain a competitive edge in such a turbulent environment.

We worked closely with staff and academics from partners to enrich curriculum through a number of new offerings such as industry workshops, business case challenges and embedding IML ANZ products such as the IML 360 Feedback Survey into courses.

We also continued to increase students' connections with industry through Affiliate Membership, online career development events, networking and mentoring. This led us to achieving our highest levels of student engagement since the introduction of our partnership offering. Through the year we also saw our first cohort of graduates become Chartered Managers through our partnerships.

We are thrilled to welcome new Higher Education partners in 2020, including Pacific Training Group, College for Adult Learning and JCE Positive Outcomes.





“While I may never have thought to join IML ANZ on my own, getting Membership through the partnership with Swinburne has proven very useful. Great education sessions and loads of learning and supportive material makes this a very useful resource for me as a new coach and also generally as a manager; a double bonus. I am very happy to be an IML ANZ Member and will join in my own right once the Membership runs out.”

**Sharon Sherry IMLa**

Graduate Certificate in Organisational Coaching,  
*Swinburne Professional*

“Since becoming a Member of the Institute of Managers and Leaders ANZ and completing my Chartered Manager designation, I have discovered a greater understanding and importance of continued personal and professional growth.”

**Gareth Sipple-Asher CMgr MIML**

MBA Graduate, *Griffith University*

“We’re really proud of our partnership with IML ANZ because it makes sure that our MBA is at all times industry focused.”

**Dr. Andrea North-Samardzic**

MBA Director,  
*Deakin University*

“By embedding IML ANZ representatives into our classroom activities, we’ve been able to really broaden the knowledge and the experience base of our students.”

**Associate Professor David Goodwin**

Head, Industry and External Engagement,  
*Victoria University Business School*

# 20 20

Annual  
Report

31 December 2020

# Consolidated Financial Report for the Year Ended



# Directors' Report

The Directors present their report, together with the consolidated financial statements of the Institute of Managers and Leaders Limited ('IML', 'the Company') and the entities it controlled at the end of, or during, the year ended 31 December 2020, and the Auditor's report thereon. Throughout the report, the consolidated entities are referred to as 'the Group'.

## Directors

The Directors who held office during the year ended 31 December 2020 and up to the date of this report are:

- **John Withers CMgr FIML**  
Chair since 18 March 2020  
*Company Director, Assistant Director HR Operations and Strategy Department of Justice*
- **Marie-Louise Pearson FIML Life Member**  
Deputy Chair since 18 March 2020  
*Company Director, Director Carers NT*
- **Cherie Curtis FIML**  
Retired on 28 May 2020  
*Company Director, CEO Revelian*
- **Diana De Hulsters CMgr FIML**  
*Company Director*
- **John Labou FIML**  
Retired on 28 May 2020  
*Company Director*
- **Stephanie McConachy FIML**  
*Company Director, Head of Marketing and Communications PwC*
- **Ann Messenger CMgr FIML**  
Chair until 18 March 2020  
*Company Director*
- **Gerard Mullins CMgr FIML**  
Retired on 28 May 2020  
*Company Director*
- **Mike Zissler FIML**  
Retired on 28 May 2020  
*Company Director*

## Company Secretary

- **Susanne Behrendt FIML**

# Directors' Report

## Corporate Governance Statement

The Directors review and approve strategies and action plans for the continuing development of the Company and its controlled entities. Management and the Board monitor the Group's overall performance, from implementation of the strategic plan through to the performance of the Group against operating plans and financial budgets.

## Objectives & strategy for achieving the objectives

The Group provides accreditation services, research & advocacy, professional development, publishing and information services to leaders and managers in Australia and New Zealand. In doing so the Group will:

- a. Develop, support, promote and practise the profession of management at all levels by being the preeminent voice of management and leadership in Australia and New Zealand.
- b. Provide opportunities for Australian and New Zealand managers to achieve an outstanding career through mentoring, professional development, networking and interventions.
- c. Undertake commercially viable endeavours in the management and leadership space to support its not-for-profit mission and objects and for the benefits of Members.
- d. Ensure benefits derived from all activities of all entities are directed to the benefit of its Members and the objects described in the Constitution of the Company and its subsidiary entities.
- e. Manage its reputation and growth through continuous improvement across systems, processes and culture.
- f. Further develop a share of the voice in the management space through targeted and

measurable research, advocacy and public relations built on the Group's vision "Creating better managers and leaders for a better society".

- g. Continue to manage and develop its competencies and infrastructure to become effective and more agile in the marketplace through better coordination of its Membership communication tools as a strategic asset.

## Principal activities

As the peak professional body for managers and leaders, the Group offers services to its Members to meet their needs for career development, resource access, professional recognition and networking opportunities. The Group supports the development of management and leadership capability in the broader community through mentoring, leadership excellence awards and through the awarding of scholarships for professional development. Additional services offered include research, consulting and assessment services, both for skilled migration as well as the Chartered Manager designation ('CMgr').

The Company is both registered in Australia and New Zealand and also uses the business name the 'Institute of Managers and Leaders Australia New Zealand' ('IML ANZ').

There were no other significant changes during the year in the principal activities of the Group.

## Performance measures

The Group measures its performance against the Board approved strategies, objectives and key performance indicators. Each objective and KPI has its own financial and operational charter that is monitored and reviewed regularly to ensure it is aligned with the Group's objectives.

# Board of Directors

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## **John Withers** CMgr FIML

### Chair

John Withers has extensive experience as a leader and manager in Defence, and more recently in the private and public sectors. After completing his schooling in Melbourne, John entered the Royal Military College and served as an officer in the Australian Regular Army for 25 years in the Infantry and the Special Air Service Regiment. After leaving the Regular Army in 1998, John moved to Hobart where he has worked in the private and public sectors.

John is currently an HR specialist within the Tasmanian State Government holding a number of positions in the Department of Education and more recently the Department of Justice.

For the past 25 years he has been an active Member of the Institute of Managers and Leaders.

In Tasmania he was a member and leader of the local committee of management, implementing and facilitating on the Aspiring Manager Program, and the Tasmanian Leadership Excellence Awards.

John was a board member of AIM Vic/Tas prior to the transition to IML National. John is a Fellow of the Institute and a Chartered Manager (CMgr).



## Marie-Louise Pearson

### FIML Life Member

#### Deputy Chair

Marie-Louise has over 32 years in sales and management experience in the energy, telecommunications and ICT industries.

With a background in management at Jacana Energy (the NT's largest electricity retailer), Optus and IBM, Marie-Louise has extensive management experience in complex and rapidly changing businesses and is keenly interested in delivering value and strong governance. Under her Chairmanship of IML NT Council 2006 to 2012, IML NT saw its strongest ever recorded Membership and participation rates. Marie-Louise has a strong history of leadership in community organisations which have included Darwin Symphony Orchestra and is currently on the Board of Carers NT and Carers Australia. Marie-Louise won the 2014 AIM Leadership Excellence Award for Community Leader of the Year.

Marie-Louise is a Life Member and Fellow of IML ANZ, a Graduate of the Australian Institute of Company Directors, holds a Graduate Diploma in Business Administration and a Bachelor of Science in Mathematical Sciences.



## Diana De Hulsters CMgr FIML

Diana De Hulsters has close to 3 decades of international experience in commercial and not-for-profit organisations. She has expertise in association management and is Managing Director of Your Outsider (sole trader), and General Manager of the Thylation Group of Companies. Diana commenced her career in Belgium in the international travel industry, specialising in travel to Australia and New Zealand. She moved to Adelaide in 2002 and after several international sales positions, including with AccorHotels, she side-stepped into association management for organisations such as the Australia-Israel Chamber of Commerce, Simulation Australasia, the Royal Institution of Australia and the Australian Organics Recycling Association.

Diana graduated with an MBA from the AIM Business School in 2014. She has completed the Company Directors Course and holds GAICD level membership at the Australian Institute of Company Directors. She also holds membership of the Australasian and American Societies of Association Executives (AuSAE and ASAE).

Diana is proud to have achieved Chartered Manager status in 2017 as one of the first 100 people in Australia to do so.



## **Stephanie McConachy** FIML

Stephanie is an experienced senior marketer, working with business leaders to create tailored and integrated marketing strategies that are aligned to business objectives and achieve tangible results. With an established background in marketing, communications, branding, team leadership and business transformation, Stephanie's experience has been varied from working in a small start up through to global professional services firm PriceWaterhouseCoopers (PwC). Currently at PwC, Stephanie leads the brand positioning of the firm across the Asia Pacific region, reviewing and advising on PwC's go to market approach, leading regional wide campaigns, and working closely with the region's executive leadership team to execute accordingly.

Stephanie is a Fellow of the Institute and has been involved with IML ANZ for a number of years, serving on the Institute's Emerging Leaders Advisory Board and Young Professional Group (SA) prior to her appointment to the Board.

Stephanie is also a Graduate of the Company Directors Course, from the Australian Institute of Company Directors.



## **Ann Messenger** CMgr FIML

Ann Messenger is a Chartered Accountant who studied marketing and operations management before specialising in accounting and finance. Ann began her career in banking and has had a range of commercial experience both in Australia and overseas, including six years in Latin America where, as an equities analyst, she covered emerging markets.

In Australia, Ann worked in corporate finance and advisory roles with accounting firms KPMG and HLB Mann Judd, before moving into Chief Financial Officer and Chief Operating Officer positions with organisations including the Sydney Chamber of Commerce. Ann pursues a variety of business, community and personal interests and is a member of the Mosman Development Assessment Panel. Ann has a strong interest in the not-for-profit (NFP) sector and a firm belief in the value of the NFP sector to society. Ann is a Fellow of the Institute of Managers and Leaders.





## Directors' meetings

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2020, and the number of meetings attended by each director were:

Board Meetings		
Board Members	Held	Attended
John Withers (Chair)	11	11
Marie-Louise Pearson (Deputy Chair)	11	11
Cherie Curtis (Director)	6	4
Diana De Hulsters (Director)	11	11
John Labou (Director)	6	4
Stephanie McConachy (Director)	11	11
Ann Messenger (Director)	11	11
Gerard Mullins (Director)	6	6
Mike Zissler (Director)	6	5
Susanne Behrendt (Company Secretary)	11	11

**Held:** represents the number of meetings held during the time the person was in office.

## Directors' remuneration

The Company pays annual fees of

- \$60,000 to its Chair;
- \$33,000 to its Deputy Chair and Board sub-committee Chairs; and
- \$30,000 to its Directors\*

\* **Note:** Some Directors chose to forfeit part of their remuneration during the COVID-19 pandemic.

## Indemnity & insurance of officers

The Company has indemnified its Directors and Executives for costs incurred, in their capacity as a Director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors of the Company and Executives of the Group against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.



## Members' liability

The Institute of Managers and Leaders Limited is a company limited by guarantee and the liability of its Members is limited.

Every IML ANZ Member undertakes to contribute to the assets of the Company if it is wound up while the Member is a Member, or within one year after the Member ceases to be a Member, for:

- the payment of the debts and liabilities of the Company, contracted before the Member ceases to be a Member;
- the expenses of winding up the Company; and
- the adjustment of the rights of the contributories among themselves.

The amount of the contribution must not exceed \$2.00 in any circumstances.

## Auditor independence & non-audit services

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

## Non-audit services

RSM Australia ('RSM') is the auditor of the Company (2019: RSM), its controlled entities and subsidiaries. During the period ended 31 December 2020 RSM provided various tax services to the Company and its controlled entities (2020: \$39,613; 2019: \$24,213).

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



**John Withers CMgr FIML**

Chair of Board

Brisbane, 9 April 2021



**Marie-Louise Pearson**

FIML Life Member

Deputy Chair of Board

Brisbane, 9 April 2021

**RSM Australia Partners**

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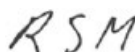
F +61(0) 7 3225 7880

[www.rsm.com.au](http://www.rsm.com.au)

**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of the Institute of Managers and Leaders Limited for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read "RSM".

**RSM AUSTRALIA PARTNERS**

A handwritten signature in black ink, appearing to read "ALBERT LOOTS".

**Albert Loots**  
Partner

Brisbane, Queensland  
Dated: 8 April 2021

**THE POWER OF BEING UNDERSTOOD**  
**AUDIT | TAX | CONSULTING**

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

# Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Consolidated 2020 \$	Consolidated 2019 \$
Revenue	3	6,539,112	7,116,186
Expenses	4	(9,575,797)	(11,367,196)
Loss before income tax		(3,036,685)	(4,251,010)
Income tax expense	5	(3,155)	(47,090)
Loss for the year		(3,039,840)	(4,298,100)
<b>Other comprehensive income/(loss)</b>			
Gain/(loss) on revaluation of available for sale financial assets	12	(77,787)	1,949,791
		(77,787)	1,949,791
Total comprehensive loss for the year		(3,117,627)	(2,348,309)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.



# Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2020

	Note	Consolidated 2020 \$	Consolidated 2019 \$
<b>Current assets</b>			
Cash and cash equivalents	6	172,505	198,564
Receivables	7	106,136	276,300
Prepayments and other current assets	8	318,436	457,332
Available for sale financial assets	12	1,367,843	1,037,006
Total current assets		1,964,920	1,969,202
<b>Non-current assets</b>			
Property and equipment	10	3,704,981	4,460,425
Intangible assets	11	1,433,816	1,512,554
Available for sale financial assets	12	17,076,155	19,937,559
Other non-current assets	13	510,379	521,577
Total non-current assets		22,725,331	26,432,115
Total assets		24,690,251	28,401,317
<b>Current liabilities</b>			
Payables	14	644,670	841,022
Other current liabilities	15	821,069	932,397
Lease liabilities		424,537	375,513
Provisions	16	283,973	257,725
Total current liabilities		2,174,249	2,406,657
<b>Non-current liabilities</b>			
Lease liabilities		2,828,637	3,211,469
Provisions	16	208,181	186,518
Total non-current liabilities		3,036,818	3,397,987
Total liabilities		5,211,067	5,804,644
Net assets		19,479,184	22,596,673
<b>Equity</b>			
Reserves	17	8,108,224	8,186,011
Foreign currency translation reserve	17	(428)	(566)
Retained earnings	18	11,371,388	14,411,228
Total equity		19,479,184	22,596,673

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.  
The financial information of the parent entity is summarised under note 25.



# Consolidated Statement of Changes in Members' Equity

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Retained Earnings \$	Reserves \$	Foreign Currency Translation Reserve \$	Total
Balance at 1 January 2019		18,709,328	6,236,220	-	24,945,548
Total comprehensive loss for the year		(4,298,100)	-	-	(4,298,100)
Movement in Foreign currency translation reserve		-	-	(566)	(566)
Available for sale financial assets reserve movement		-	1,949,791	-	1,949,791
Balance at 31 December 2019		14,411,228	8,186,011	(566)	22,596,673
Total comprehensive loss for the year	18	(3,039,840)	-	-	(3,039,840)
Movement in Foreign currency translation reserve		-	-	138	138
Available for sale financial assets reserve movement	17	-	(77,787)	-	(77,787)
Balance at 31 December 2020		11,371,388	8,108,224	(428)	19,479,184

The above consolidated statement of changes in members' equity should be read in conjunction with the attached notes.

# Consolidated Statement of Cash flows

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Consolidated 2020 \$	Consolidated 2019 \$
<b>Cash flows from operating activities</b>			
Receipts from members and customers		4,838,360	5,670,643
Payments to suppliers and employees		(8,383,167)	(10,889,163)
Interest received	3	10,543	35,857
Government assistance received		1,148,000	-
Net cash outflows from operating activities		(2,386,264)	(5,182,663)
<b>Cash flows from investing activities</b>			
Payments for intangible assets	11	(214,707)	(833,828)
Payments for property and equipment	10	(58,314)	(686,997)
Proceeds from other non-current assets	13	11,198	3,393,826
Withdrawal of available for sale financial assets		3,050,670	3,339,060
Net cash inflows from investing activities		2,788,847	5,212,061
<b>Cash flows from Financing activities</b>			
Repayment of leasing liabilities		(428,642)	(286,937)
Net cash outflows from Financing activities		(428,642)	(286,937)
Net decrease in cash and cash equivalents		(26,059)	(257,539)
Cash and cash equivalents at the beginning of year		198,564	456,103
Cash and cash equivalents at the end of year	6	172,505	198,564

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# Notes to the Consolidated Financial Statements

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For the year ended  
31 December 2020

## **Note 1: Corporate information**

The Institute of Managers and Leaders Limited is a company limited by guarantee, incorporated in Australia under the Corporations Act 2001 and domiciled in Brisbane.

The Company's registered office and principal place of business is at Level 16, 40 Creek Street, Brisbane QLD 4000.

The consolidated financial report of the Institute of Managers and Leaders Limited for the year ended 31 December 2020 was authorised for issue in accordance with a resolution of the Directors dated 9 April 2021. The nature of the operations and principal activities of the Company and its controlled entities are described in the Directors' report.

## **Note 2: Summary of significant accounting policies and prior period adjustments**

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of the Institute of Managers and Leaders Limited and its controlled entities ('the Group').

### a. Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Corporations Act 2001. The Company is a not-for-profit entity for the purpose of preparing the financial statements.

#### **(i) Compliance with Australian Accounting Standards – Reduced Requirements**

The consolidated financial statements of the Institute of Managers and Leaders Limited and its controlled entities comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

#### **(ii) New and amended standards adopted by the Group**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

#### **(iii) Early adoption of standards**

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### **(iv) Historical Cost convention**

The financial statements have been prepared under the historical cost convention.

#### **(v) Critical accounting estimates**

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2 (s).

### b. Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of the Company and its controlled entities at the end of the financial year, and the results of the Company and its controlled entities during the financial year. This control is by virtue of the fact that all Directors of the controlled entities are appointed by the Company. The Company and its controlled entities together are referred to in this financial report as 'the Group'.

The effect of all transactions between entities in the Group and inter-entity balances are eliminated in full in preparing the consolidated financial statements.

### c. Income tax

The Group adopts the liability method of tax-effect accounting. Under present legislation income derived by the Group from Members is not assessable for income tax. Income tax liabilities arise in respect of income derived from non-Members and investments less certain allowable deductions.

The controlled entities of the Company have been advised by the Australian Taxation Office that they are exempt from Income Tax pursuant to the Income Tax Assessment Act 1997 except IML Research Limited, which is a taxable entity.

### d. Foreign currency

The financial statements are presented in Australian dollars. Transactions denominated in a foreign currency are recorded at the exchange rates prevailing at the date of the transactions. Foreign currency payables at balance date are translated at exchange rates current at the balance date. Exchange gains and losses are brought to account in determining the profit or loss for the financial year.

### e. Revenue

#### **Revenue from contracts with customers**

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group:



- identifies the contract with a customer;
- identifies the performance obligations in the contract;
- determines the transaction price which takes into account estimates of variable consideration and the time value of money;
- allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

### **Sales Revenue**

Ticket sales for IML ANZ events are recognised when received or receivable.

### **Interest Revenue**

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

### **Other Revenue**

Other revenue is recognised when it is received or when the right to receive payment is established.

### **Government grants**

JobKeeper grants and cash flow boosts are recognised as revenue at the time the entity is entitled to the funds.

### **f. Receivables**

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

### **g. Investments in Financial Instruments**

Investments in financial instruments are designated as Financial assets at fair value through other comprehensive income if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for medium to long term.

The financial assets are presented as non-current assets unless they mature, or management intends to dispose of them within 12 months of the end of reporting period.

Changes in the fair value and exchange differences arising on translation of investments that are classified as Financial assets at fair value through other comprehensive income (for example equities), are recognised in other comprehensive income accumulated in a separate reserve with equity. Amounts are reclassified to profit and loss when the associated assets are sold or impaired.

### **h. Property and equipment**

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

- Leasehold improvements
- Computer and other equipment

**5-15 years**  
**3-10 years**

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

### **i. Right-of-use assets**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

### **j. Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

### **k. Employee entitlements**

#### ***i) Wages, salaries and annual leave***

Liabilities for wages and salaries and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

#### ***ii) Long service leave***

The liability for long service leave expected to be settled within 12 months of the reporting date is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is measured as the present value of expected future payments to be made in respect of services provided by the employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted to match as closely as possible, the estimated future cash outflows.

#### ***iii) Superannuation***

Contributions to external employee superannuation plans are charged as an expense when the contributions are paid or become payable.

#### ***iv) Employee benefits on-costs***

Employee benefits on-costs, including payroll tax, are recognised and included in employee benefits costs and in liabilities when the employee benefits to which they relate are recognised as liabilities.

### **l. Cash and cash equivalents**

For the purpose of the cash flow statement, cash includes cash on hand and deposits held with banks, net of any bank overdrafts. Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments that are readily convertible to known amounts of cash.

### **m. Assets classified as held for sale**

Assets are classified as held for sale and stated at the lower of their carrying amount and fair value

less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Assets classified as held for sale are presented separately from the other assets in the statement of financial position and are not depreciated or amortised while they are classified as held for sale.

## n. Intangible assets

### ***i) Website, IT development and other intangible costs***

Website, IT development and other intangible costs are recognised as intangible assets only when it is probable that the expected economic benefits that are attributable to them flow to the Group and the costs can be measured reliably. Expenditure relating to the planning stage are expensed when incurred.

Capitalised website, IT development and other intangible expenditure are stated at cost less accumulated amortisation. All intangible assets are amortised over one to ten years using the straight-line method.

### ***ii) Work in progress***

All website, IT development and Development program costs are initially accounted for as work in progress before they are recognised as intangible assets upon completion of the project. Work in progress is stated at the lower of cost and net realisable value.

## o. Provisions

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount of the obligation can be reliably estimated.

Provisions are not recognised for future operating losses.

## p. Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

## q. Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority.

In this case it is recognised as part of the cost of the acquisition of the asset or as part 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 tax authority is included in other receivables or other 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 tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

#### **r. Parent entity financial information**

The financial information for the parent entity, Institute of Managers and Leaders Limited disclosed in note 25 has been prepared on the same basis as the consolidated financial statements.

#### **s. Critical estimates, judgements and errors**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which they believe to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

#### **Coronavirus (COVID-19) pandemic:**

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

#### **Lease term:**

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.



### Note 3: Revenue

	Consolidated 2020 \$	Consolidated 2019 \$
Membership revenue	1,814,906	2,127,451
Chartered manager assessment revenue	77,035	255,488
Chartered manager membership revenue	93,434	68,763
Investment income	597,890	1,031,314
Consulting revenue	943,549	748,955
National salary survey revenue	469,135	603,883
Other research revenue	615,124	646,477
Events revenue	333,462	583,451
Migration skills assessment revenue	329,195	373,806
Royalty income	4,630	168,858
Fair value adjustment of loan	-	136,787
Interest revenue	10,543	35,857
NZIM Merger	-	11,344
Government assistance – Covid-19	1,148,000	-
Other revenue	102,209	323,752
	6,539,112	7,116,186

### Note 4: Operating expenses

	Consolidated 2020 \$	Consolidated 2019 \$
<b>Expenses</b>		
Employee costs	5,369,123	5,694,890
Cost of sales	1,218,037	1,620,033
Information technology costs	591,130	728,030
Consultants and agency staff	122,506	317,163
Marketing and promotion	228,849	753,713
Depreciation and amortisation	997,779	668,075
Travel and accommodation	39,485	242,641
Rent and oncost	250,234	457,750
Other expenses of operating activities	758,654	884,901
	9,575,797	11,367,196

## Note 5: Taxation

The amount of income tax attributable to the financial year differs from the amount prima facie payable on the profit before income tax. The differences are reconciled as follows:

	Consolidated 2020 \$	Consolidated 2019 \$
Loss from continuing operations before income tax expense	(3,039,840)	(4,298,100)
Prima facie income tax on loss before income tax at 27.5% (2019: 27.5%)	(835,088)	(1,289,430)
<b>Tax effect of permanent differences which reduce tax payable</b>		
Non-assessable profits and losses	844,095	1,389,693
Prima facie tax adjusted for permanent differences	9,007	100,263
Adjustments for income tax of prior year	(5,852)	-
Tax losses utilised	-	(53,173)
Income tax expense	3,155	47,090

## Note 6: Cash and cash equivalents

	Consolidated 2020 \$	Consolidated 2019 \$
Cash at bank	172,505	198,564

## Note 7: Receivables

	Consolidated 2020 \$	Consolidated 2019 \$
Trade debtors	95,452	270,264
Other debtors	9,684	6,036
	106,136	276,300

## Note 8: Prepayments and other current assets

	Consolidated 2020 \$	Consolidated 2019 \$
Prepayments and other current assets	309,751	448,647
Books inventory	8,685	8,685
	318,436	457,332

## Note 9: Going Concern

The consolidated financial statements have been prepared on a going concern basis.

For the year ended 31 December 2020, the consolidated statement of financial position reflected an excess of current liabilities over current assets of \$209,329.

The investments held by the Group and included in 'available for sale financial assets' indicate that the Group will have sufficient liquid assets at hand to be able to meet its debts as and when they are due.

The directors are satisfied that the Group is able to meet all liabilities as and when they fall due and payable.

## Note 10: Property and equipment

	Right-of-use assets – building \$	Right-of-use assets – Equipment \$	Leasehold improvements \$	Computer & other equipment \$	Total \$
<b>Year ended 31 December 2019</b>					
Opening net book amount	-	-	374,937	135,480	510,417
Additions	3,602,093	34,224	354,571	332,426	4,323,314
Depreciation charge	(225,360)	(10,277)	(107,183)	(30,486)	(373,306)
Closing net book amount	3,376,733	23,947	622,325	437,420	4,460,425

<b>At 31 December 2019</b>					
Cost	3,602,093	34,224	838,347	534,390	5,009,054
Accumulated depreciation	(225,360)	(10,277)	(216,022)	(96,970)	(548,629)
Net book amount	3,376,733	23,947	622,325	437,420	4,460,425

<b>Year ended 31 December 2020</b>					
Opening net book amount	3,376,733	23,947	622,325	437,420	4,460,425
Additions	-	15,684	12,264	30,366	58,314
Remeasurements	(109,427)	-	-	-	(109,427)
Depreciation charge	(470,848)	(14,197)	(131,266)	(88,020)	(704,331)
Closing net book amount	2,796,458	25,434	503,323	379,766	3,704,981

<b>At 31 December 2020</b>					
Cost	3,492,666	49,908	850,611	564,756	4,957,941
Accumulated depreciation	(696,208)	(24,474)	(347,288)	(184,990)	(1,252,960)
Net book amount	2,796,458	25,434	503,323	379,766	3,704,981

## Note 11: Intangible assets

	Website & IT development \$	Other intangible assets \$	Work in progress	Total
<b>Year ended 31 December 2019</b>				
Opening net book amount	941,479	32,015	-	973,494
Additions	373,024	66,111	394,693	833,828
Amortisation charge	(213,055)	(81,713)	-	(294,768)
Closing net book value	1,101,448	16,413	394,693	1,512,554

<b>At 31 December 2019</b>				
Cost	1,598,937	385,276	394,693	2,378,906
Accumulated amortisation	(497,489)	(368,863)	-	(866,352)
Net book value	1,101,448	16,413	394,693	1,512,554

<b>Year ended 31 December 2020</b>				
Opening net book value	1,101,448	16,413	394,693	1,512,554
Additions	133,353	31,897	49,458	214,708
Transfers	382,643	-	(382,643)	-
Amortisation charge	(258,916)	(34,530)	-	(293,446)
Closing net book value	1,358,528	13,780	61,508	1,433,816

<b>At 31 December 2020</b>				
Cost	2,114,933	417,173	61,508	2,593,614
Accumulated amortisation	(756,405)	(403,393)	-	(1,159,798)
Net book value	1,358,528	13,780	61,508	1,433,816



## Note 12: Available for sale financial assets

Available for sale financial assets include the following classes of financial assets:

	Consolidated 2020 \$	Consolidated 2019 \$
<b>Non-current assets:</b>		
Cash	1,367,843	1,037,006
<i>Listed securities:</i>		
Fixed interest	9,316,320	10,328,477
Equities	7,759,835	9,609,082
	17,076,155	19,937,559
Total available for sale financial assets	18,443,998	20,974,565

### Gain/(loss) on revaluation of available for sale financial assets:

Changes in the fair value and exchange differences arising on translation of investments that are classified as financial assets at fair value through other comprehensive income (for example equities), are recognised in other comprehensive income accumulated in a separate reserve with equity. Amounts are reclassified to profit and loss when the associated assets are sold or impaired.

The loss on revaluation of available for sale assets for the year is \$77,787 (2019: gain of \$1,949,791).

## Note 13: Other non-current assets

	Consolidated 2020 \$	Consolidated 2019 \$
Short-term deposits (restricted) – non-current	510,379	521,577
	510,379	521,577

The amount of short-term deposits of \$510,379 (2019: \$521,577) is held as security for bank guarantees issued for office leases.

## Note 14: Payables

	Consolidated 2020 \$	Consolidated 2019 \$
Trade creditors	60,290	172,773
Other creditors and accruals	584,380	668,249
	644,670	841,022

**Note 15: Other current liabilities**

	Consolidated 2020 \$	Consolidated 2019 \$
Member subscriptions in advance	821,069	932,397
	821,069	932,397

**Note 16: Provisions**

	Consolidated 2020 \$	Consolidated 2019 \$
<b>Employee benefits</b>		
- Current	283,973	257,725
- Non-current	49,897	31,338
Aggregated employee benefits	333,870	289,063
<b>Make good provisions</b>		
- Non-current	158,284	155,180
Aggregated make good benefits	158,284	155,180
Total current	283,973	257,725
Total non-current	208,181	186,518
Total provisions	492,154	444,243

**Note 17: Reserves**

	Consolidated 2020 \$	Consolidated 2019 \$
<b>Available for sale reserve</b>		
Balance 1 January	2,521,366	571,575
Net gain/(loss) on available for sale financial assets	(77,787)	1,949,791
Balance 31 December	2,443,579	2,521,366
<b>Business combination reserve</b>		
Balance 31 December	5,664,645	5,664,645
Total reserves	8,108,224	8,186,011

**Note 18: Retained earnings**

	Consolidated 2020 \$	Consolidated 2019 \$
Retained earnings at the beginning of the financial year	14,411,228	18,709,328
Deficit attributable to members of Australian Institute of Management (Group) Limited	(3,039,840)	(4,298,100)
Retained earnings at the end of the financial year	11,371,388	14,411,228

## Note 19: Contingent liabilities

A significant remote contingent liability is a possible obligation that would be material to the Group, but where the probability of settlement is considered very low (less than five per cent).

The disclosure of remote contingencies is not required under Accounting Standards.

## Note 20: Controlled entities

The following are controlled entities and their subsidiaries as at 31 December 2020 by virtue of the fact that all Directors are appointed by the Company.

Controlled entities	Subsidiaries of controlled entities
IML Research Limited (ACN 000 049 669)	IML Training Limited (ACN: 002 526 007)
IML National Limited (ACN 004 525 017)	

The Company has no investment in the above noted controlled entities and the Constitutions of the controlled entities preclude payment of any dividends to the Company.

## Note 21: Deed of Cross Guarantee

A Deed of Cross Guarantee was lodged with ASIC under Document No. 029123769 on 4 December 2014 (the "Deed"). By entering into the deed,

- IML Research Limited (ACN 000 049 669)
- IML Training Limited (ACN 002 526 007)
- IML National (ACN 004 525 017)
- ACN 008 499 625 Limited (ACN 008 499 625) (formerly 'Australian Institute of Management of Canberra')\*\*
- ACN 004 239 981 Limited (ACN 004 239 981) (formerly 'Australian Institute of Management – Victoria & Tasmania')\*
- ACN 125 293 790 Limited (ACN 125 293 790) (formerly 'Australian Institute of Management – Victoria & Tasmania College of Education & Training Nominee Limited')\*
- ACN 152 398 662 Limited (ACN 152 398 662) (formerly 'The Octant Foundation')\*\*
- Australian Institute of Management Education and Training Pty Ltd (ACN 009 668 553)
- LeaderSpace Limited

were relieved from the requirement to prepare a financial report and Directors' report under Corporations Instrument 2016/785 as issued by the Australian Securities and Investment Commission (ASIC).

**Note:** Entities marked with an \* were deregistered prior to 31 March 2020

**Note:** Entities marked with \*\* were deregistered prior to 31 December 2019

Post disposal of the Training business on 1 March 2015, a Deed of Revocation was signed and lodged with ASIC under Document No. 029325604 releasing:

- Australian Institute of Management Education and Training Pty Ltd and
- LeaderSpace Limited

from the deed and closed group.

The following entities remain a party to the Deed as at 31 December 2020, under which each company guarantees the debts of the other:

- Institute of Managers and Leaders Limited (holding entity)
- IML Research Limited (ACN 000 049 669)
- IML Training Limited (ACN 002 526 007)
- IML National (ACN 004 525 017)

The above companies represent a 'Closed Group' for the purpose of the Corporations Instrument 2016/785 and as there are no other parties to the Deed of Cross Guarantee that are controlled by the Company, they also represent the 'Extended Closed Group'.

## Note 22: Directors and key management personnel disclosure Compensation

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated 2020 \$	Consolidated 2019 \$
Aggregate compensation	1,248,827	1,192,579

## Note 23: Related party disclosures

### *Key management personnel*

Disclosures relating to key management personnel are set out in note 22.

## Note 24: Subsequent events

The company is subject to a claim by an employee regarding an internal grievance. This matter is ongoing and currently subject to an investigation. The company is not able to reliably estimate the likely outcome of the grievance process at this time.



## Note 25: Parent entity

### (a) Summary financial information

	Parent 2020 \$	Parent 2019 \$
<b>Statement of financial position</b>		
Current assets	728,963	(9,054,517)
Non-current assets	5,001,213	6,345,044
Total assets	5,730,176	(2,709,473)
Current liabilities	(11,689,333)	(2,329,477)
Non-current liabilities	(3,019,760)	(3,366,649)
Net liabilities	(8,978,917)	(8,405,598)
<b>Members' Fund:</b>		
Accumulated losses	(8,978,917)	(8,405,598)
Loss for the year	(573,319)	(1,223,197)
Total comprehensive loss	(573,319)	(1,223,197)

### (b) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 31 December 2020.

# Directors' Declaration

In accordance with a resolution of the Directors of Institute Managers and Leaders Limited we state that:

In the opinion of the Directors:

- (a) the attached financial statements and notes are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.
- (b) there are reasonable grounds to believe that the Company and the consolidated entities will be able to pay their debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Board,



**John Withers CMgr FIML**

Chair of Board

Brisbane, 9 April 2021



**Marie-Louise Pearson**

FIML Life Member

Deputy Chair of Board

Brisbane, 9 April 2021

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE  
INSTITUTE OF MANAGERS AND LEADERS LIMITED**

**Opinion**

We have audited the financial report of the Institute of Managers and Leaders Limited ("the consolidated entity"), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, the consolidated statement of changes in members' equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Institute of Managers and Leaders Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

**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 consolidated entity in accordance with the auditor independence requirements of the *Corporations Act 2001* 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the consolidated entity, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Responsibilities of the Directors for the Financial Report**

The directors of the consolidated entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**THE POWER OF BEING UNDERSTOOD**

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In preparing the financial report, the directors are responsible for assessing the ability of the consolidated entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the consolidated entity 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 the 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 this 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](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). This description forms part of our auditor's report.

A handwritten signature of "RSM" in dark ink.

**RSM AUSTRALIA PARTNERS**

A handwritten signature of "ALLOOTS" in dark ink.

**Albert Loots**  
Partner

Brisbane, Queensland  
Dated: 13 April 2021

#### **THE POWER OF BEING UNDERSTOOD** **AUDIT | TAX | CONSULTING**

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