



ACN 000 628 884

ANNUAL REPORT 2023

*The home of professional
management consultants*

INSTITUTE OF MANAGEMENT CONSULTANTS



Annual Report and
Financial Statements
For the Year Ended 30 June 2023

2023

**Institute of Management Consultants
Annual Report and Financial Statements
For the Year Ended 30 June 2023**

Institute of Management Consultants

Annual Report and Financial Statements For the Year Ended 30 June 2023

Contents

Page

4	National President's Report
7	Director's Report
9	Balance Sheet
10	Statement of Comprehensive Income
11	Notes to the Financial Statements
16	Statement of Profit or Loss and Other Comprehensive Income
17	Statement of Cash Flow
18	Directors Declaration
19	Independent Auditor Report
20	Auditor's Independence Declaration

Report of the National President and Board Chair for the Financial Year Ended June 2023

I am pleased to present the Board's Report on the activities and operations of the Institute of Management Consultants (Institute) for the financial year to June 2023.

In fulfilling its mission as the peak professional organisation for management consultants in Australia, the Institute promotes ethics, integrity, and professional conduct in management consulting.

The Institute is accredited by the International Council of Management Consulting Institutes (ICMCI) to assess and certify competent management consultants to the international competency framework of Certified Management Consultant (CMC) every three years to ensure they meet these competency standards.

The Institute's Code of Ethics and Professional Conduct is a condition of membership and a prerequisite to certification, signifying the self-discipline of IMC members. The code ensures members maintain a professional code of conduct and ethics in their dealings with clients, colleagues and the public.

Senate Inquiry into management and assurance of integrity by consulting services

The Institute's commitment to its mission is exemplified by our submission to the Senate Inquiry into the management and assurance of integrity by consulting services delivered to the Australian Government. The Institute's submissions on all the Inquiry's Terms of Reference, subsequent appearance before the Senate Committee and responses to Questions on Notice demonstrated the Institute's commitment to promoting excellence and integrity in the management consulting profession.

The submission recommended adopting the ISO 20700:2017 Guidelines for management consultancy services by all management consulting service providers to the Australian Government.

With ISO 20700:2017, the CMC Competence Framework, and adherence to the Code of Ethics and Professional Conduct, the Institute recommended to the Senate Inquiry the value of an International and Australian framework for restoring trust, integrity and transparency in the management consulting profession.

The Inquiry is due to deliver its report by March 28th, 2024, having previously deferred it to November 30th, 2023. The management consulting profession can expect the utilisation of management consulting services the Australian Government engages to be more tightly controlled and closely monitored. The Institute will respond to the Report's findings and recommendations. In particular, the Institute has a significant role in restoring the profession's reputation and promoting excellence, integrity, and a commitment to professional development because of the concerns raised during the Inquiry.

Strategy

In January 2023, the Board reviewed its strategy, focusing on improving member value and the sustainability of the Institute's financial position. Three critical initiatives adopted are:

- Re-sizing supporting systems to reduce dependence on support providers to improve processes, reducing costs and for services such as membership and events;
- Designing a Learning and Development Program based on the Competence Framework that aligns with a focus on the member pathway and support for developing consulting skills; and,
- Raising the profile of the Institute through advocacy, thought leadership, marketing and critical messaging to increase connections with government, industry, universities, and kindred organisations.

The cost base of the Institute has significantly reduced with a shift from the existing association management services platform to the MembershipWorks platform. This also resulted in lower support costs by third-party providers. Administration costs in the first half of the 2022/23 financial year have reduced in the current financial year by \$59k. This is expected to reduce the upward pressure on membership fees and costs of events.

The Board has adopted a comprehensive 3-year Learning and Development Strategy. The strategy and framework were developed by Board Member Jenifer Frederick, who has significant experience designing L&D programs. The system incorporates the Mentoring Program that was introduced earlier this year. It prioritises the development of CMC competency through the International Competency Framework.

The L&D Framework is based on learning by experience, working together and through formal structured programs using recognised models for designing effective learning programs. When fully implemented, the Institute's L&D Programs will provide multiple learning experiences and modes that meet the needs of participants with different learning styles and work demands.

Supporting the L&D Framework, the Board has approved a pilot program to develop an online learning platform. A vital feature of this method for presenting programs is that participants can choose when and how to undertake learning and development activities rather than being limited by communications platforms presently scheduled at specific dates and times.

Finance, Risk Audit and Governance (FRAG) Committee

Chaired by National Treasurer Stephen Wood FIMC CMC, the FRAG Committee comprises Ken Goldberg, MIMC CMC, Vice President, and Dianne Semmens, MIMC, President of the Vic & Tas Chapter. It primarily controls budgeting and financial control and recommends risk and governance practices to the Board. Board Director Jenifer Frederick resigned from FRAG at the end of the year to be appointed Chair of the Professional Development Committee. The Committee provided recommendations to the Board on significant decisions, including adopting and implementing MembershipWorks, sourcing service providers and developing service provider contracts for Board approval. FRAG formalised a Delegation of Authority, which guides all officers, members, and service providers of the Institute in the execution of the delegated authority of the Board.

Professional Development Committee

Chaired by Jenifer Frederick, MIMC CMC, this Committee is responsible for recommendations to the Board on Professional Development activities, including mentoring, learning pathways, webinars, and other information events. The Board is seeking nominations by suitably qualified learning and development professionals to assist the Chair in the development of the Learning and Development Framework for execution of the L&D Strategy previously noted. The Committee is responsible for developing pathways for individual professional and personal development plans supported by the Mentoring Program and acknowledgement of consulting practice and self-directed learning.

Membership Committee

Chaired by Christine Cox FIMC CMC, the Membership Committee comprises the CMC Chair and Chief Assessor, Michael McLean AF-CMC, and Chapter Membership Coordinators. The Membership Committee maintains the Membership By-Laws and is responsible for member engagement, promoting the member pathway, membership growth and assessing applications. The certification and recertification of management consultants for CMC as prescribed by ICMCI is now the responsibility of the Membership Committee, transferred from Professional Development. During the year, ICMCI, through its Quality Assurance process, completed the Triennial assessment of the Institute, a founding member of ICMCI, to remain a Full Member of good standing accredited to award CMC. Membership was 298 as of June 2023.

Board Meeting Attendance

The Board of Directors meets monthly, except in January, on the third week. The Board also held a Strategy Meeting in January, which was also attended by Chapter Presidents.

Board Meeting Attendance

	18/07/22	15/08/22	19/09/2022	17/10/2022	21/11/2022	19/12/2022	20/02/2023	20/03/2023	8/05/2023	19/06/2023
Directors										
Peter Westlund	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Ken Goldberg	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Steve Ibbotson	Present	Present	Present	Absent	Present	Absent	Present	Present	Absent	Present
Michael McLean	Absent	Absent	Present	Present	Present	Present	Present	Present	Absent	Present
Brendyn Williams	Present	Present	Present	Present	Absent	Absent	Present	Present	Present	Present
Stephen Wood	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present
Jenifer Frederick	Present	Present	Present	Present	Absent	Present	Present	Present	Present	Present
Christine Cox		Present	Present	Present	Present	Absent	Present	Present	Present	Present
Vacancy										

The Board maintains a Board Skills Matrix to ensure that the overall composition of the Board reflects the qualifications, skills, experience, and diversity necessary for the Board to perform the strategic and governance requirements of a contemporary professional Board.

During the year, Steve Ibbotson FIMC CMC retired, having occupied a wide range of positions for the IMC, including Chapter President, Federal Councillor, and Director and holding a range of responsibilities on Committees in those roles. We thank Steve for his significant contribution to the IMC. Christine Cox retires with effect from the AGM. In addition to her considerable service to the Queensland Chapter, Christine held the role of Chief Assessor for CMC for many years. In the last four years, Christine has held the position of Executive Officer and then as a Director, initially holding the portfolio of Professional Development and then Membership. For her contribution to the IMC, Christine was awarded FIMC. The Board comprises no more than nine directors. Following the Annual General Meeting, the Board will move to appoint Directors with the requisite capabilities to ensure the Board maintains its profile to satisfy the strategy, governance, and operational requirements of the Institute.

I thank the Board of Directors and Board Committees for their considerable efforts in directing and managing the affairs of the Institute. Chapter Presidents and their Committees are the critical member-facing representatives of the Institute dealing with State and Territory membership and professional development needs, and the Board sincerely appreciates their voluntary efforts. The Institute is also a significant beneficiary of the sponsors, including Marsh Advantage Insurance and Deltek Inc., and presenters and contributors to the Institute's professional development programs, and we warmly thank them for the generosity of their contributions, time, and professional experience.

I wish all members a rewarding 2023/24. We must work together to rebuild the integrity and trust of the management consulting profession, which has been eroded due to recent and widely publicised events.

Critically, our focus needs to be first and foremost on adding value to clients' organisations, acknowledging the especially significant economic, technological, and environmental challenges facing their organisations and Australia more generally.

Peter Westlund MIMC CMC GAICD
 National President & Board Chair
 November 2023

Institute of Management Consultants

Director's Report

For the Year ended 30 June 2023

Your directors present their report on the Institute for the Year ended 30 June 2023.

Directors

The names of the Directors in office at any time during or since the end of the reporting period are:

Peter Westlund	President & Board Chair Western Australia	Appointed:	27-05-2013
Ken Goldberg	Vice President, Queensland	Appointed:	04-07-2020
Jenifer Frederick	Professional Development Chair, Australian Capital Territory	Appointed:	21-03-2022
Brendyn Williams	New South Wales	Appointed:	19-11-2012
Michael McLean	ICMCI Delegate, New South Wales	Appointed:	11-08-2020
Stephen Ibbotson	South Australia	Appointed: Resigned:	06-10-2020 19-06-2023
Stephen Wood	Treasurer & FRAG Chair, Victoria	Appointed:	21-09-2021
Christine Cox	Membership Chair Queensland	Appointed:	28-06-2022

Directors have been in office since the start of the reporting period to the date of this report unless otherwise stated.

Review of Operations

The loss of the Institute for the financial year to 30th June 2023 after providing for income tax amounted to \$43,908.

A review of the Institute's operations during the financial year and the results of those operations are as follows:

1. Establishing the MembershipWorks platform resulted in the write-off of the existing website and membership platform. The amount written off was \$41,790.
2. The MembershipWorks platform is expected to result in cost savings from the reduced platform operating costs and reduced reliance on service providers to manage the platform.

Significant Changes in State of Affairs

No other significant changes in the Institute's state of affairs occurred during the reporting period.

Institute of Management Consultants

Director's Report

For the Year ended 30 June 2023

Principal Activities

The principal activities of the Institute during the reporting period were:

- Promote excellence and integrity in the management consulting profession.
- Improve the knowledge and skills of management consultants.
- Encourage and require the highest professional standards and ethics among management consultants.
- Provision of services to members.

There were no significant changes in these activities during the reporting period.

Events After the End of the Reporting Period

No matters or circumstances have arisen since the reporting date that significantly affected or may significantly affect the operations of the Institute, the results of those operations, or the state of affairs of the Institute in future reporting periods.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Institute and the expected results of those operations in future reporting periods have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Institute.

Environmental Regulation

The Institute's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or a state or territory.

Dividends

The Institute does not distribute income or assets directly or indirectly to its members.

Indemnification of Officers

No indemnities have been given during or since the end of the reporting period for any person who has been an officer or auditor of the Institute.

Proceedings on Behalf of the Institute

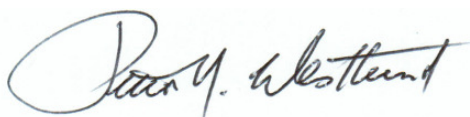
No person has applied for leave of Court to bring proceedings on behalf of the Institute or intervene in any proceedings to which the Institute is a party to take responsibility on behalf of the Institute for all or any part of those proceedings.

The Institute was not a party to such proceedings during the reporting period.

Auditor's Independence Declaration

A copy of the auditor's independence declaration, as required under section 307C of the Corporations Act 2001, is included in the financial reports.

Signed by a resolution of the Board of Directors:



Peter Neville Westlund
Director

Dated this 8th day of November 2023

Institute of Management Consultants**Balance Sheet****As at 30 June 2023**

	Note	2023	2022
		\$	\$
Current Assets			
Cash and Cash Equivalents	6	102,413	84,551
Trade and Other Receivables	7	-	23,267
Other Assets	8	1,690	1,696
Total Current Assets		104,103	109,514
Non-Current Assets			
Other Assets	8	3,672	-
Property, Plant and Equipment	9	-	51,621
Intangible Assets	10	4,050	4,050
Total Non-Current Assets		7,722	55,671
Total Assets		111,825	165,185
Current Liabilities			
Trade and Other Payables	11	13,576	24,974
Other Current Liabilities	12	78,575	77,171
Total Current Liabilities		92,151	102,145
Total Liabilities		92,151	102,145
Net Assets		19,674	63,040
Equity			
Retained Profit	13	19,674	63,040
Total Equity		19,674	63,040

The accompanying notes form part of these financial statements. These financial statements have been subject to audit and should be read in conjunction with the attached declarations.

Institute of Management Consultants
Statement of Comprehensive Income
For the Year ended 30 June 2023

	Note	2023	2022
		\$	\$
Revenue	2	130,226	165,175
Expenses	3	173,592	199,532
Loss		(43,366)	(34,357)
Total Comprehensive Deficit		(43,366)	(34,357)

The accompanying notes form part of these financial statements. These financial statements have been subject to audit and should be read in conjunction with the attached declarations.

1 Significant Accounting Policies

The entity is a Tier 1 small company limited by guarantee and is exempt from the financial reporting requirements of the Corporations Act 2001. The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general-purpose financial statements. The financial statements are, therefore, special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

Basis of Preparation

The financial statements have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the statements are as follows:

a. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowing in current liabilities on the balance sheet.

b. Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent or management valuation. All assets, excluding freehold land and buildings held for investment, are depreciated over their useful lives.

The depreciation method and useful life used for items of property, plant and equipment (excluding freehold land) reflect the pattern in which their future economic benefits are expected to be consumed by the Institute of Management Consultants. Depreciation commences from the time the asset is held ready for use. Any leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The useful lives used for each class of depreciable asset are considered to fall within standard parameters. Standard rates of depreciation have been used for each class of asset.

The carrying value of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

c. Borrowings

Loans, when held, are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and is recorded as part of current payables.

d. Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment.

At the end of each reporting period, the carrying value of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the financial statements.

The accompanying notes form part of these financial statements. These financial statements have been subject to audit and should be read in conjunction with the attached declarations.

e. Impairment of Assets

Property (including investment property), plant and equipment, intangible assets and investments measured at cost are reviewed at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss.

If there is an indication of possible impairment, the recoverable amount of the affected asset (or group of related assets) is estimated by reference to disposal value and compared with its carrying value. The recoverable amount is the higher of the asset's fair value less costs to sell and the present value of the asset's future cash flows discounted at the expected rate of return. If the estimated recoverable amount is lower, the carrying value is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

f. Revenue and Other Income

Revenue is measured at the value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

g. Trade and Other Payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. They are recognised at their transaction price.

h. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO), in these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the balance sheet.

Institute of Management Consultants
Notes to the Financial Statements
For the Year ended 30 June 2023

Note 2: Revenue	2023	2022
	\$	\$
Interest Received	431	8
Membership subscription	99,024	108,857
Function income	13,770	33,227
Sponsorship	3,000	6,000
Other revenue	14,001	17,083
	<u>130,226</u>	<u>165,175</u>

Note 3: Expenses	2023	2022
	\$	\$
Association management costs	45,790	55,338
Executive officer expense	11,250	53,287
Website maintenance	3,730	-
Amortisation	41,790	14,286
EBSCO annual usage fee	9,964	8,727
Bookkeeping & account fee	5,523	7,576
Web hosting & online tools	930	7,424
ICMCI membership	5,238	5,587
iMIS usage fee	9,186	5,039
iMIS Maintenance	5,147	-
Accounting fees	5,400	4,980
Other costs	29,644	37,288
	<u>173,592</u>	<u>199,532</u>

Note 4: Income Details	2023	2022
	\$	\$
Interest received	431	8

Note 5: Profit for the Year	2023	2022
	\$	\$

Profit before income tax expense from continuing operations includes the following specific expenses:

Charging as Expense:

Movement in Provisions		
Provision for Doubtful Debts	620	-
Depreciation – Plant & Equipment	41,790	14,286
	<u>42,410</u>	<u>14,286</u>

The accompanying notes form part of these financial statements. These financial statements have been subject to audit and should be read in conjunction with the attached declarations.

Institute of Management Consultants
Notes to the Financial Statements
For the Year ended 30 June 2023

Note 6: Cash and Cash Equivalent	2023	2022
	\$	\$
Cash at Bank	102,413	84,551

Note 7: Trade and Other Receivables	2023	2022
	\$	\$
Current		
Membership Debtors	-	19,802
Trade Debtors	620	3,465
Provision for doubtful debts	(620)	-
Total Trade and Other Receivables	-	23,267

Note 8: Other Assets	2023	2022
	\$	\$
Current		
Prepayments – Insurance & Trademark registration	1,690	1,696
Non-Current		
Prepayments – Trademark registration	3,672	-
Total Other Assets	5,362	1,696

Note 9: Property, Plant and Equipment	2023	2022
	\$	\$
IMC Website	129,646	139,477
Less: Accumulated Depreciation	(129,646)	(87,856)
Total Property, Plant and Equipment	-	51,621

In March 2023, the IMC changed its website platform from IMIS to Membership Works. All unamortised capital expenditure relating to the implementation and enhancements to IMIS was written off at 30 June 2023.

Note 10: Intangible Assets	2023	2022
	\$	\$
Trademark	4,050	4,050
Total Intangible Assets	4,050	4,050

During the year the IMC Trademark was registered in Australia, adding to the registration of the CMC logo. The trademark registration was not capitalised and is included in note 8 as a prepayment.

The accompanying notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the attached declarations

Institute of Management Consultants
Notes to the Financial Statements
For the Year ended 30 June 2023

Note 11: Trade and Other Payables	2023	2022
	\$	\$
Current		
Trade Creditors	8,215	19,218
Provision for GST	5,361	5,756
Total Trade and Other Payables	13,576	24,974

The reduction in trade creditors is mainly due to changes to book-keeping processes at the conclusion of the 2022 financial year that led to overstatements of trade creditors (unpaid memberships), which were corrected in the 2023 financial year.

Note 12: Other Liabilities	2023	2022
	\$	\$
Current		
Accrued Expenses	1,077	1,451
Income in Advance	77,498	75,720
Total Other Liabilities	78,575	77,171

Note 13: Retained Profits/Accumulated Losses	2023	2022
	\$	\$
Retained Profits at Beginning of Financial Year	63,040	97,397
Less:		
Net loss attributable to members	43,366	34,357
Retained Profits at 30 June 2023	19,674	63,040

Note 14: Company Details

The registered office of the company is:

Institute of Management Consultants
121 Burwood Highway, Burwood VIC 3125

The principal place of business is:

Institute of Management Consultants
Suite 999, 45 Glenferrie Road, Malvern VIC 3144

The principal activities of the company include:

Provision of services to members and promotion of the profession of management consulting

The accompanying notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the attached declarations

Institute of Management Consultants
Statement of Changes in Equity
For the Year ended 30 June 2023

	2023	2022
	\$	\$
Opening Balance	63,040	97,397
Retained Earnings		
Profit/(Loss) Attributable to Members	(43,366)	(34,357)
Closing Balance	<u>19,674</u>	<u>63,040</u>
Reconciliation of Retained Earnings		
Opening Balance	63,040	97,397
Profit/(Loss) Attributable to Members	(43,366)	(34,357)
Total Equity	<u>19,674</u>	<u>63,040</u>

The accompanying notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the attached declarations

Institute of Management Consultants
Statement of Cashflows
For the Year ended 30 June 2023

	2023	2022
	\$	\$
Cash Flows from Operating Activities		
Receipts from members and customers	167,232	180,717
Payments to suppliers	(149,801)	(172,292)
Interest received	431	8
Net cash generated from operating activities	<u>17,862</u>	<u>8,433</u>
Net Increase in cash held	17,862	8,433
Cash on hand at the beginning of the financial year	84,551	76,118
Cash on hand at the end of the financial year	<u><u>102,413</u></u>	<u><u>84,551</u></u>

The accompanying notes form part of these financial statements. These financial statements have been subject to audit, and should be read in conjunction with the attached declarations

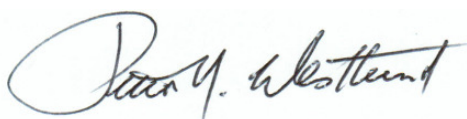
Institute of Management Consultants
Directors' Declaration
For the Year ended 30 June 2023

The Directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in the Notes to the Financial Statements.

The Directors of the Company declare that:

1. The financial statements and notes, as set out in the financial report present fairly the Company's financial position as at 30 June 2023 and its performance for the reporting period ended on that date in accordance with the accounting policies described in the Notes to the Financial Statements; and
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Peter Neville Westlund
Director

Dated this 8th day of November 2023.



INSTITUTE OF MANAGEMENT CONSULTANTS
A.B.N. 32 000 628 884
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

I have audited the accompanying financial report of Institute of Management Consultants (the company), which comprises the statement of financial position as at 30 June 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Board of Directors.

In my opinion, the accompanying financial report of Institute of Management Consultants is in accordance with the Corporations Act 2001, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2023 and of its performance and cash flows for the year ended on 30 June 2023; and
- ii. complying with Australian Accounting Standards and The Corporations Act 2001.

Basis of Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of my report. I am independent of the Company 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 my audit of the financial report in Australia. I have also fulfilled our other ethical responsibilities in accordance with the Code.

I confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company would be on the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

I draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Institute of Management Consultants to meet the requirements of the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.



Collins & Co Audit Pty Ltd

127 Paisley Street
Footscray VIC 3011
Australia

Phone (03) 9680 1000
Fax (03) 9689 6605

www.collinsco.com.au

Auditor's Responsibilities for the Audit of the Financial Report

My 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 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 the financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the responsible entities.
- Conclude on the appropriateness of the responsible entities use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the registered entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that I identify during my audit.

Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448

Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY VIC 3011

Dated this 9th day of November 2023



Collins & Co Audit Pty Ltd

127 Paisley Street
Footscray VIC 3011
Australia

Phone (03) 9680 1000
Fax (03) 9689 6605

www.collinsco.com.au

AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF INSTITUTE OF MANAGEMENT CONSULTANTS A.B.N. 32 000 628 884

I declare that to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii. No contravention of any applicable code of professional conduct in relation to the audit.

Frederik Ryk Ludolf Eksteen CA
ASIC Auditor Registration Number 421448

Collins & Co Audit Pty Ltd
127 Paisley Street
FOOTSCRAY VIC 3011

Dated this 9th day of November 2023