



Australian Association of Practice Management Ltd
excellence in healthcare management

Australian Association of Practice Management

ACN 010 067 615

FINANCIAL STATEMENTS FOR

THE YEAR ENDED

30 JUNE 2016

Contents

DIRECTORS' REPORT.....	1
AUDITORS INDEPENDENCE DECLARATION.....	5
INDEPENDENT AUDIT REPORT.....	6
DIRECTORS' DECLARATION.....	8
STATEMENT OF SURPLUS OR DEFICIT & OTHER COMPREHENSIVE INCOME	9
STATEMENT OF FINANCIAL POSITION.....	10
STATEMENT OF CHANGES IN FUNDS.....	11
STATEMENT OF CASH FLOWS.....	12
NOTES TO THE FINANCIAL STATEMENTS.....	13

Australian Association of Practice Management Ltd

ACN 010 067 615

Directors' Report 30 June 2016

Your Directors present their report on the Company for the financial year ended 30 June 2016.

1. General information

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Names

Mr Danny Haydon

Ms Linda Osman

Ms Fiona Wong

Mr Gary Smith

Ms Jannine de Veau

Ms Terri-Helen Gaynor Resigned 20/10/2015

Ms Lynne Green

Ms Carolyn Ingram

Mr Richard Evans Appointed 20/10/2015

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

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Gillian Leach has been the Company secretary since September 2013. Gillian is also the Chief Executive Officer of the Company.

Members guarantee

Australian Association of Practice Management Ltd is a Company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$50, subject to the provisions of the Company's constitution.

At 30 June 2016 the collective liability of members was \$ 94,500 (2015: \$ 90,550).

Principal activities

The principal activity of Australian Association of Practice Management Ltd during the financial year was to promote professional excellence in healthcare management throughout Australia.

There have been no significant changes in the nature of Australian Association of Practice Management Ltd's principal activities during the financial year.

Australian Association of Practice Management Ltd

ACN 010 067 615

Directors' Report

30 June 2016

1. General information continued

Business review

Operating Results

The deficit from ordinary activities amounted to \$18,475 (2015: surplus of \$382,280).

2. Other items

Significant changes in state of affairs

There have been no significant changes in the Company's state of affairs during the financial year.

After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Auditors independence declaration

The lead auditors independence declaration for the year ended 30 June 2016 has been received and can be found on page 5 of the financial report.

Short and Long Term Objectives

The mission of the organisation is to:

- Represent and unite Practice Managers
- Promote professional development
- Raise the profile of AAPM in the health community
- Provide specialised services and networks for Practice Managers

The short term objectives of the organisation are to:

- Increase the profile and awareness of AAPM
- Increase the membership of the organisation
- Increase revenue for the organisation
- Increase the organisation's equity

To achieve these objectives, the organisation has adopted the following strategies:

- Increase the channels to promote AAPM through use of social media
- Provide a clear professional development pathway for members
- Increase opportunities for members to access education including on-line education
- Develop partnerships with key stakeholders to benefit both members and the organisation
- Develop additional services and products for the benefit of members

Australian Association of Practice Management Ltd

ACN 010 067 615

Directors' Report

30 June 2016

3. Director Information

Information on directors

Mr Danny Haydon	Fellow of AAPM
Qualifications	Bachelor Applied Science & Occupational Therapy, Masters Health Service Management
Special Responsibilities	National President
Ms Linda Osman	Fellow of AAPM
Qualifications	Diploma of Business, Certificate IV Workplace Training & Assessment, Accredited Surveyor for AGPAL
Special Responsibilities	National Secretary
Ms Fiona Wong	
Qualifications	Diploma in Practice Management
Mr Gary Smith	Life Member and Fellow of AAPM
Qualifications	Diploma in Practice Management, Diploma of Corporate Governance, Certificate IV in training and Assessment
Ms Jannine de Veau	
Qualifications	Diploma in Practice Management, Accreditation Surveyor for AGPAL, Accreditation Surveyor for QIP CPM
Special Responsibilities	National Treasurer
Ms Terri-Helen Gaynor	
Qualifications	Bachelor of Arts
Ms Lynne Green	
Qualifications	MAAPM, GAICD
Ms Carolyn Ingram	Fellow of AAPM
Qualifications	Diploma of Practice Management, Bachelor of Arts, Graduate Diploma in Teaching, Certificate IV Workplace Training and Assessment
Special Responsibilities	National Vice-President
Mr Richard Evans	
Qualifications	Master of Writing, Bachelor Industrial Relations, Diploma of Business, Certified Mediator, Company Directors Diploma AICD, Fellow, AICD

Australian Association of Practice Management Ltd

ACN 010 087 615

Directors' Report
30 June 2016

3. Director Information continued

Meetings of directors

During the financial year, 6 meetings of directors (including strategic planning) were held. Attendances by each director during the year were as follows:

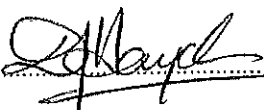
	Directors' Meetings	
	Number eligible to attend	Number attended
Mr Danny Haydon	6	6
Ms Linda Osman	6	6
Ms Fiona Wong	6	4
Mr Gary Smith	6	6
Ms Jannine de Veau	6	5
Ms Terri-Heien Gaynor	2	2
Ms Lynne Green	6	6
Ms Carolyn Ingram	6	5
Mr Richard Evans	5	5

4. Indemnification and insurance of officers

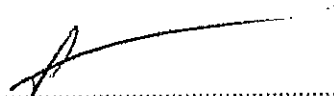
The Company has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Company, other than conduct involving a wilful breach of duty in relation to the Company.

Signed in accordance with a resolution of the Board of Directors:

Director:



Director:



Dated 12 August 2016

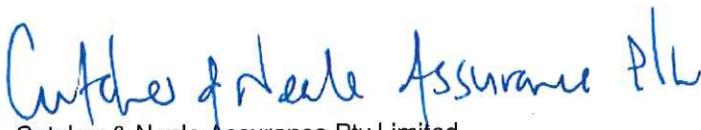
Australian Association of Practice Management Ltd

ACN 010 067 615

Auditors Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Australian Association of Practice Management Ltd

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



Cutcher & Neale Assurance Pty Limited
(an authorised audit company)



M.J. O'Connor
Director

05 August 2016

Newcastle

Australian Association of Practice Management Ltd

ACN 010 067 615

Independent Audit Report to the members of Australian Association of Practice Management Ltd

Report on the Financial Report

We have audited the accompanying financial report of Australian Association of Practice Management Ltd, which comprises the statement of financial position as at 30 June 2016, the statement of surplus or deficit and other comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Company 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Australian Association of Practice Management Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Australian Association of Practice Management Ltd

ACN 010 067 616

Independent Audit Report to the members of Australian Association of Practice Management Ltd

Opinion

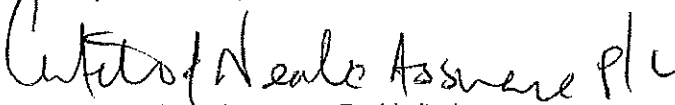
In our opinion the financial report of Australian Association of Practice Management Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Emphasis of Matter

We draw attention to Note 1(o) to the financial statements which addresses the negative working capital position of the Company. As at 30 June 2016, the Company's current liabilities exceeded its current assets by \$283,478 (2015: \$184,688).

Our opinion is not qualified in respect of this matter.



Cutcher & Neale Assurance Pty Limited
(an authorised audit company)



M.J. O'Connor
Director

Newcastle

15 August 2016

Australian Association of Practice Management Ltd

ACN 010 067 615


Directors' Declaration

The directors of the entity declare that:

1. The financial statements and notes, as set out on pages 9 to 25, are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the entity.
2. In the directors' opinion, there are reasonable grounds to believe that the entity 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.

Director 

Director 

Dated 12 August 2016

Australian Association of Practice Management Ltd

ACN 010 067 615

Statement of Surplus or Deficit and Other Comprehensive Income For the Year Ended 30 June 2016

		2016	2015
	Note	\$	\$
Revenue	2	2,108,774	2,149,198
Other income	2	26,228	29,984
Employee benefits expense		(606,566)	(471,447)
Depreciation and amortisation expense		(35,662)	(36,527)
Board and governance expense		(87,372)	(94,213)
Occupancy expense		(35,760)	(26,653)
Project and communication expense		(1,288,711)	(1,042,360)
Finance costs		(15,936)	(28,958)
Other expenses		(83,470)	(96,744)
Surplus / (deficit) before income tax		(18,475)	382,280
Income tax expense	1(d)	-	-
Surplus / (deficit) after income tax		(18,475)	382,280
Other comprehensive income for the year		-	-
Total comprehensive income		(18,475)	382,280

The accompanying notes form part of these financial statements.

Australian Association of Practice Management Ltd

ACN 010 067 615

Statement of Financial Position 30 June 2016

	Note	2016 \$	2015 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	229,555	273,395
Trade and other receivables	6	124,287	45,475
Other assets	7	65,078	55,986
TOTAL CURRENT ASSETS		418,920	374,856
NON-CURRENT ASSETS			
Property, plant and equipment	8	1,081,959	981,191
Intangible assets	9	37,926	52,168
TOTAL NON-CURRENT ASSETS		1,119,885	1,033,359
TOTAL ASSETS		1,538,805	1,408,215
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	535,296	416,871
Borrowings	11	117,257	117,638
Employee benefits	12	49,845	25,035
TOTAL CURRENT LIABILITIES		702,398	559,544
NON-CURRENT LIABILITIES			
Employee benefits	12	6,211	-
TOTAL NON-CURRENT LIABILITIES		6,211	-
TOTAL LIABILITIES		708,609	559,544
NET ASSETS		830,196	848,671
FUNDS			
Accumulated Surplus		830,196	848,671
TOTAL FUNDS		830,196	848,671

The accompanying notes form part of these financial statements.

Australian Association of Practice Management Ltd

ACN 010 067 615

Statement of Changes in Funds For the Year Ended 30 June 2016

2016

	Retained Earnings
	\$
Balance at 1 July 2015	848,671
Total comprehensive income	<u>(18,475)</u>
Balance at 30 June 2016	<u><u>830,196</u></u>

2015

	Retained Earnings
	\$
Balance at 1 July 2014	466,391
Total comprehensive income	<u>382,280</u>
Balance at 30 June 2015	<u><u>848,671</u></u>

The accompanying notes form part of these financial statements.

Australian Association of Practice Management Ltd

ACN 010 067 615

Statement of Cash Flows For the Year Ended 30 June 2016

	2016	2015
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	2,248,202	2,392,651
Payments to suppliers and employees	(2,150,444)	(1,924,038)
Interest received	1,906	2,608
Finance costs	(15,936)	(28,958)
Net cash provided by / (used in) operating activities	<u>83,728</u>	<u>442,263</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(124,787)	(5,918)
Purchase of intangible assets	(2,400)	(47,000)
Net cash used by investing activities	<u>(127,187)</u>	<u>(52,918)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	-	15,237
Repayment of borrowings	(381)	(314,764)
Net cash used by financing activities	<u>(381)</u>	<u>(299,527)</u>
Net increase / (decrease) in cash and cash equivalents held	(43,840)	89,818
Cash and cash equivalents at beginning of year	273,395	183,577
Cash and cash equivalents at end of financial year	5 <u>229,555</u>	<u>273,395</u>

The accompanying notes form part of these financial statements.

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, (including Australian Accounting Interpretations), authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

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

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

(b) Comparative figures

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

(c) Critical accounting estimates and judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates - impairment of plant and equipment

The Company assesses impairment at the end of the reporting year by evaluating conditions specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

(d) Income tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

(e) Revenue and other income

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities as discussed below.

Conference income

Conference income is recognised as revenue in the period to which the conference relates.

Membership income

Membership income is recognised as revenue in the period to which it relates.

Interest revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Provision of services

Revenue recognition relating to the provision of services is recognised on delivery of the service to the member.

No amounts are included in the financial statements for services donated by volunteers.

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

(f) 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.

(g) Property, plant and equipment

Property

Land and buildings are measured at cost less accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses. Cost includes expenditure that is directly attributable to the asset.

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

(g) Property, plant and equipment continued

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Company commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.5% PC
Plant and Equipment	5-25% PC

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of surplus or deficit and other comprehensive income.

(h) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is the equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

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

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

(h) Financial instruments continued

Classification and subsequent measurement

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

(i) Loans and receivables

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

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting year.

(ii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Impairment

Objective evidence that a financial asset is impaired includes default by a debtor, evidence that the debtor is likely to enter bankruptcy or adverse economic conditions in the stock exchange. At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired through the occurrence of a loss event.

Impairment losses are recognised through an allowance account for loans and receivables in the statement of surplus or deficit and other comprehensive income.

Where a subsequent event causes the amount of the impairment loss to decrease (e.g. payment received), the reduction in the allowance account (provision for impairment of receivables) is taken through profit and loss.

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

(h) Financial instruments continued

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) Impairment of non-financial assets

At the end of each reporting year, the Company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Value in use is either the discounted cash flows relating to the asset or depreciated replacement cost if the criteria in AASB 136 'Impairment of Assets' are met. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of surplus or deficit and other comprehensive income.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the Company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of an asset.

Impairment losses are recognised as an expense immediately, unless the relevant asset is property, plant and equipment held at fair value (other than investment property carried at a revalued amount) in which case the impairment loss is treated as a revaluation decrease as described in the accounting policy for property, plant and equipment.

(j) Intangibles

Trademarks

Trademarks are recognised at cost of acquisition. Trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Trademarks are amortised over their useful life of 10 years.

Software

Software is recorded at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between four and five years.

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

(j) Intangibles continued

Amortisation

Amortisation is based on the cost of an asset less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(k) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Company during the reporting period which remain unpaid including credit card liabilities. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(l) Borrowings

Secured and unsecured loans have been obtained. Carrying amounts represent the amount expected to be repaid at settlement. Unsecured loans are considered to be repayable at call and therefore presented as current liabilities.

(m) Employee benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting year. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cashflows.

Provisions for Time Off In Lieu relates to time worked by employees outside of, or additional to, standard hours and is measured at the value expected to be paid when the liability is settled.

Contributions are made by the Company to an employee superannuation fund and are charged as expenses when incurred.

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

1 Summary of Significant Accounting Policies continued

(n) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. 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 statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(o) Going concern

The financial statements record as a current liability a loan payable for the purchase of the head office premises. The loan is classified as current as it is repayable on demand to the finance provider and therefore impacts on the working capital position of the Company. The loan is secured by a registered first mortgage over the property, which has a value in excess of the loan balance. At the date of this report there is no indication that the loan will be recalled by the finance provider.

For this reason the directors continue to adopt the going concern basis in preparing the financial statements.

(p) Authorisation of financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 30 September 2016. The Directors have the power to amend the financial report at any time.

2 Revenue and Other Income

	2016	2015
	\$	\$
Operating activities		
- Membership subscriptions	590,317	558,747
- Publications	66,291	71,951
- Sponsorship and grants	387,540	528,272
- Member education end events	250,687	215,120
- Conference income	813,939	775,108
	<u>2,108,774</u>	<u>2,149,198</u>
Other revenue		
- Interest income	1,906	2,608
- Premises rental	19,250	21,800
- Other income	5,072	5,576
	<u>26,228</u>	<u>29,984</u>
Total Revenue	<u><u>2,135,002</u></u>	<u><u>2,179,182</u></u>

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

3 Result for the Year

- (a) The result for the year includes the following specific expenses
Bad and doubtful debts

-	3,182
---	-------

4 Remuneration of Key Management Personnel

The totals of remuneration paid to the key management personnel of Australian Association of Practice Management Ltd during the year are as follows:

	2016	2015
	\$	\$
Total key management remuneration	<u>152,699</u>	<u>142,922</u>

5 Cash and Cash Equivalents

Cash at bank

<u>229,555</u>	<u>273,395</u>
----------------	----------------

6 Trade and Other Receivables

CURRENT

Trade debtors

<u>124,287</u>	<u>45,475</u>
----------------	---------------

7 Other Assets

CURRENT

Prepayments

Conference seed funding

Deposits Paid

23,889	18,986
37,000	37,000
4,189	-
<u>65,078</u>	<u>55,986</u>

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

8 Property, Plant and Equipment

	2016	2015
	\$	\$
LAND AND BUILDINGS		
Land		
At cost	590,000	590,000
Building		
At cost	491,221	391,341
Accumulated depreciation	(55,143)	(39,134)
Total buildings	436,078	352,207
Total land and buildings	1,026,078	942,207
Plant and equipment		
At cost	116,429	91,521
Accumulated depreciation	(60,548)	(52,537)
Total plant and equipment	55,881	38,984
Total property, plant and equipment	1,081,959	981,191

(a) Movements in Carrying Amounts

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

	Land	Buildings	Plant and Equipment	Total
	\$	\$	\$	\$
2016				
Balance at the beginning of year	590,000	352,207	38,984	981,191
Additions	-	99,880	24,907	124,787
Depreciation expense	-	(16,009)	(8,010)	(24,019)
Balance at 30 June 2016	590,000	436,078	55,881	1,081,959

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

9 Intangible Assets

Carrying values table

	2016	2015
	\$	\$
Patents, trademarks and other rights		
Cost	4,855	4,855
Accumulated amortisation	(1,916)	(1,589)
Net carrying value	<u>2,939</u>	<u>3,266</u>
Computer software		
Cost	120,266	122,866
Accumulated amortisation	(85,279)	(73,964)
Net carrying value	<u>34,987</u>	<u>48,902</u>
Total Intangibles	<u><u>37,926</u></u>	<u><u>52,168</u></u>

(a) Movements in Carrying Amounts

	Patents, trademarks and other rights	Computer software	Total
	\$	\$	\$
Year ended 30 June 2016			
Balance at the beginning of the year	3,266	48,902	52,168
Additions	-	2,400	2,400
Disposals	-	(5,001)	(5,001)
Amortisation	(327)	(11,314)	(11,641)
Closing Balance 30 June 2016	<u>2,939</u>	<u>34,987</u>	<u>37,926</u>

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

10 Trade and Other Payables

	2016	2015
	\$	\$
CURRENT		
Unsecured liabilities		
Trade payables	86,714	31,572
Sundry payables and accrued expenses	129,238	124,135
Amounts received in advance	319,344	261,164
	<u>535,296</u>	<u>416,871</u>

11 Borrowings

CURRENT		
Unsecured liabilities:		
Other loans	7,221	7,602
Secured liabilities:		
Bank loans	11(a) <u>110,036</u>	<u>110,036</u>
Total current borrowings	<u>117,257</u>	<u>117,638</u>

(a) Total current and non-current secured liabilities

Bank loans	<u>110,036</u>	<u>110,036</u>
------------	----------------	----------------

The bank loan is secured by a registered first mortgage over the freehold land and buildings of the Company. Refer to Note 1(o) for additional disclosure.

(b) Bank facilities

The company has made loan repayments in advance amounting to \$520,664 and has a credit card facility amounting to \$10,000. At 30 June 2016, \$5,813 of this facility was used (2015: \$3,350). Interest rates are variable.

12 Employee benefits

CURRENT		
Provision for employee benefits	<u>49,845</u>	<u>25,035</u>
NON-CURRENT		
Provision for employee benefits	<u>6,211</u>	<u>-</u>

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

13 Capital and Leasing Commitments

(a) Operating lease commitments - Lessee

	2016	2015
	\$	\$
Payable - minimum lease payments:		
- no later than 1 year	-	2,905
	<u>-</u>	<u>2,905</u>

An operating lease has been entered for computer equipment and software licences. The lease has a four year operating term with lease payments made monthly.

(b) Operating lease commitments - Lessor

Non-cancellable operating leases contracted for but not capitalised in the financial statements

Receivable - minimum lease receipts:

- no later than 1 year	22,000	22,000
- between 1 year and 5 years	3,667	-
	<u>25,667</u>	<u>22,000</u>

An operating lease has been entered into for Ground floor, 60 Lothian Street, North Melbourne. Lease charges receivable are increased on an annual basis to reflect market rentals.

14 Members' Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 50 each towards meeting any outstanding and obligations of the Company. At 30 June 2016 the number of members was 1,890 (2015: 1,811).

Australian Association of Practice Management Ltd

ACN 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2016

15 Financial Risk Management

The main risks Australian Association of Practice Management Ltd is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

The Company's financial instruments consist mainly of deposits with banks, short-term investments, accounts receivable and payable and bank loans.

The totals for each category of financial instruments, are as follows:

	2016	2015
	\$	\$
Financial Assets		
- Cash and cash equivalents	229,555	273,395
- Trade and other receivables	189,365	101,461
Total financial assets	<u>418,920</u>	<u>374,856</u>
Financial Liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	535,296	416,870
- Current borrowings	117,257	117,638
Total financial liabilities	<u>652,553</u>	<u>534,508</u>

Net Fair Values

There is no material difference between the carrying value of assets and liabilities and the fair values of the assets and liabilities.



Australian Association of Practice Management Ltd
excellence in healthcare management