

AUSTRALIAN ASSOCIATION OF PRACTICE MANAGEMENT LIMITED
ABN 91 010 067 615

Financial Report
For the Year Ended
30 June 2022

CONTENTS

Directors' Report.....	1
Auditor's Independence Declaration.....	7
Independent Audit Report.....	8
Directors' Declaration	10
Statement of Surplus or Deficit and Other Comprehensive Income.....	11
Statement of Financial Position.	12
Statement of Changes in Funds	13
Statement of Cash Flows	14
Notes to the Financial Statements	15

Australian Association of Practice Management Limited

ABN 91 010 067 615

Directors' Report

30 June 2022

The Directors present their report on the Australian Association of Practice Management Limited (the "Company" or "AAPM") for the financial year ended 30 June 2022.

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 Jon Erwin

Ms Jacqueline Beer

Mr Danny Haydon (Until December 2021)

Mr David Osman

Mr James Downing

Ms Raelene Tully

Mr Bruce McDonald

Mrs Deb Walter (Appointed October 2021)

Ms Sophie Valkan (Appointed October 2021)

Mr Brett Miller (Appointed October 2021)

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:

David Osman was appointed Company Secretary on 26 May 2021.

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 2022 the number of members was 2,322 (2021: 2,437).

At 30 June 2022 the collective liability of members was \$116,100 (2021: \$121,850).

Principal activities

The principal activities of AAPM during the financial year were to represent and unite all those involved in Practice Management across the healthcare sector, provide and promote Practice Manager education and professional development, and to raise AAPM's profile in the sector.

There have been no significant changes in the nature of AAPM's principal activities during the financial year.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Directors' Report

30 June 2022

1. General information

Business review

Operating Results

The surplus from ordinary activities amounted to \$193,572 (2021: Surplus of \$411,388).

2. Other items

Significant changes in state of affairs

The COVID-19 pandemic and its associated social and economic impacts have continued to have a significant impact on the Company, with an estimated decline in revenue of more than 30% predicted for the 2021-2022 financial year. Many scheduled education events, including the 2021 National Conference, have been cancelled or postponed and there has been significant disruption to the planned networking program and to a range of scheduled partner activities.

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.

Objectives

The mission of the organisation is to:

- Represent and unite Practice Managers.
- Provide and promote education and professional development, to improve the quality of healthcare services provided to all Australians.
- Raise the profile of AAPM in the health sector.
- Provide specialised services and networks for Practice Managers.

The strategic intent for AAPM over the next three years is:

1. Strengthen AAPM's position as the pre-eminent professional body for Practice Management in the healthcare sector.
 - 1.1 Clarify and communicate with our membership AAPM's position and role as a membership body.
 - 1.2 Building brand awareness.
 - 1.3 Expand and grow best practice education (particularly in relation to Continual Professional Development and Career Structures in Practice Management).
2. Expand and grow AAPM's membership
 - 2.1 Redefine and grow our value proposition.
 - 2.2 Develop a career pathway architecture matrix.
 - 2.3 Engage effectively outside our current membership to broaden and diversify our membership base.
 - 2.4 Establish and support relevant special interest groups within our broader membership.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Directors' Report

30 June 2022

2. Other items (continued)

Objectives

3. Strengthen AAPM's advocacy profile and voice.

- 3.1 Resource AAPM appropriately in policy and advocacy capacity.
- 3.2 Strengthen and expand relevant policy and advocacy partnerships.
- 3.3 Establish a knowledge hub.

3. Director Information

Mr Jon Erwin	FAAPM CPM AAPM
Qualifications	Master of Business Administration Bachelor of Business
Special Responsibilities	National President (December 2020 - present)
Ms Jacqueline Beer	Fellow AAPM, CPM AAPM, FIPA FIFA FFin CDec
Qualifications	Master of Management Bachelor of Commerce Diploma Practice Management Certificate IV Celebrancy
Special Responsibilities	Vice-President (October 2021 – present)
Mr Danny Haydon	Fellow AAPM, CPM AAPM
Qualifications	Master Health Management Bachelor of Applied Science & Occupational Therapy
Special Responsibilities	National Treasurer (until October 2021)
Mr David Osman	CPM AAPM
Qualifications	Advanced Diploma of Management Certificate IV in Training and Assessment MAICD Certified Practitioner Myers-Briggs Type Indicator (MBTI®)
Special Responsibilities	Company Secretary (May 2021 – Present)

Australian Association of Practice Management Limited

ABN 91 010 067 615

Directors' Report

30 June 2022

3. Director Information (continued)

Ms Raelene Tully	CPM AAPM
Qualifications	Diploma in Practice ManagementSpecial Responsibilities Certificate in Office and Secretarial Studies
Special Responsibilities	National Treasurer (October 2021 – present)
Mr James Downing	Fellow CPA Australia
Qualifications	Master of Business Bachelor of Business GAICD Australian Institute of Company Directors Six Sigma Certified GE
Mr Bruce McDonald	GAICD Australian Institute of Company Directors
Qualifications	Bachelor of Economics (ANU) Fellow and Certified Practicing Marketer Australian Marketing Institute Fellow Institute of Managers and Leaders Six Sigma Certified – Ford
Mrs Deb Walter	CPM AAPM
Qualifications	Bachelor of Science Graduate Diploma of Accounting Certificate of Health Promotion
Ms Sophie Valkan	GAICD Australian Institute of Company Directors, CPA Australia
Qualifications	Bachelor of Law Bachelor of Commerce (Accounting Major) Graduate of AICD Graduate Diploma in Governance
Mr Brett Miller	Fellow AAPM, GAICD Australian Institute of Company DirectorsQualifications
	Master of Business Administration Honours Degree in Science Diploma of Project Management

Australian Association of Practice Management Limited

ABN 91 010 067 615

Directors' Report
30 June 2022

3. Director Information (continued)

Meetings of Directors

During the financial year, 14 meetings of Directors (including Committees of Directors) were held. Attendances by each Director during the year were as follows:

	Directors' Meetings		Finance, Audit & Risk Committee Meetings		Governance Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Mr Jon Erwin	6	6	-	-	7	7
Ms Jacqueline Beer	6	6	6	5	7	7
Mr Danny Haydon	3	2	2	1	-	-
Mr David Osman	6	6	-	-	7	7
Mr James Downing	6	4	6	4	-	-
Mr Bruce McDonald	6	6	-	-	7	6
Ms Raelene Tully	6	5	5	5	-	-
Ms Deb Walter	4	4	-	-	-	-
Sophie Valkan	5	5	-	-	5	4
Mr Brett Miller	4	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.

The Directors have not disclosed details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Directors' Report
30 June 2022

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2022 has been received and can be found on page 7 of the financial report.

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

Director:



Dated 14 September 2022

Director:



Dated September 2022

Australian Association of Practice Management Limited

ABN 91 010 067 615

Auditors Independence Declaration

Australian Association of Practice Management Limited

ABN 91 010 067 615

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

Australian Association of Practice Management Limited

ABN 91 010 067 615

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

Australian Association of Practice Management Limited

ABN 91 010 067 615

Directors' Declaration

In the directors' opinion:


- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its 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 directors

Director: 

Dated September 2022

Director: 

Dated September 2022

Australian Association of Practice Management Limited

ABN 91 010 067 615

Statement of profit or loss and other comprehensive income For the Year Ended 30 June 2022

	Note	2022 \$	2021 \$
Revenue			
Revenue from contracts with customers	2	1,823,965	1,745,993
Other revenue from ordinary activities	2	1,564	56,725
Federal Government – JobKeeper		-	136,800
Expenses			
Employee benefits expense		(691,095)	(814,839)
Depreciation and amortisation expense		(67,026)	(77,120)
Project and communication expense		(407,256)	(280,874)
Finance costs		(9,231)	(10,343)
Administration and other expenses		(457,349)	(331,954)
Surplus before income tax		193,572	411,388
Income tax expense	1(b)	-	-
Surplus after income tax		193,572	411,388
Other comprehensive income for the year		-	-
Total comprehensive income		<u>193,572</u>	<u>411,388</u>

The accompanying notes form part of these financial statements.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Statement of Financial Position

As at 30 June 2022

	Note	2022 \$	2021 \$
ASSETS			
CURRENT ASSETS			
Cash at bank	4	1,817,868	1,519,139
Trade and other receivables	5	187,764	140,163
Other assets	6	69,933	44,818
TOTAL CURRENT ASSETS		<u>2,075,565</u>	<u>1,704,120</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	939,842	996,141
Intangible assets	8	7,812	13,681
TOTAL NON-CURRENT ASSETS		<u>947,654</u>	<u>1,009,822</u>
TOTAL ASSETS		<u>3,023,219</u>	<u>2,713,942</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	583,224	517,962
Borrowings	10	25,000	446
Employee benefits	11	54,015	32,822
TOTAL CURRENT LIABILITIES		<u>662,239</u>	<u>551,230</u>
NON-CURRENT LIABILITIES			
Employee benefits	11	8,588	3,892
TOTAL NON-CURRENT LIABILITIES		<u>8,588</u>	<u>3,892</u>
TOTAL LIABILITIES		<u>670,827</u>	<u>555,122</u>
NET ASSETS		<u>2,352,392</u>	<u>2,158,820</u>
FUNDS			
Accumulated surplus		<u>2,352,392</u>	<u>2,158,820</u>
TOTAL FUNDS		<u>2,352,392</u>	<u>2,158,820</u>

The accompanying notes form part of these financial statements.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Statement of Changes in Funds For the Year Ended 30 June 2022

2022

	Accumulated Surplus
	\$
Balance at 1 July 2021	2,158,820
Total comprehensive income	<u>193,572</u>
Balance at 30 June 2022	<u><u>2,352,392</u></u>

2021

	Accumulated Surplus
	\$
Balance at 1 July 2020	1,747,432
Total comprehensive income	<u>411,388</u>
Balance at 30 June 2021	<u><u>2,158,820</u></u>

The accompanying notes form part of these financial statements.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Statement of Cash Flows For the Year Ended 30 June 2022

	2022	2021
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	1,751,249	1,941,728
Payments to suppliers and employees	(1,464,549)	(1,557,133)
Interest received	1,564	11,176
Finance costs	(9,231)	(10,343)
Net cash provided by / (used in) operating activities	<u>279,033</u>	<u>385,428</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(4,858)	(19,747)
Net cash used in investing activities	<u>(4,858)</u>	<u>(19,747)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds/(repayment) of borrowings	24,554	(18,964)
Net cash used in financing activities	<u>24,554</u>	<u>(18,964)</u>
Net increase / (decrease) in cash and cash equivalents held	298,729	346,717
Cash and cash equivalents at beginning of year	<u>1,519,139</u>	<u>1,172,422</u>
Cash and cash equivalents at end of financial year	4 <u>1,817,868</u>	<u>1,519,139</u>

The accompanying notes form part of these financial statements.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

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

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 company'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 1.

(b) 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*.

(c) Revenue from contracts with customers and other revenue

Partnership contracts and government grants

When the Company receives revenue from partnership agreements and government grants, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with Accounting Standard AASB 15: *Revenue from Contracts with Customers*.

When both these conditions are satisfied, the Company:

- Identifies each performance obligation relating to the agreement.
- Recognizes a contract liability for its obligations under the agreement; and

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements
For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (Cont'd)

(d) Revenue from contracts with customers and other revenue (Cont'd)

- Recognizes revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Company:

- Recognizes the asset received in accordance with the recognition requirements of other applicable Accounting Standards;
- Recognizes related amounts (for example lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- Recognizes income immediately in surplus or deficit as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognized as a related amount above, the Company recognizes income in surplus or deficit when or as it satisfies its obligations under the contract.

Conference and education event revenue

Conference and education event revenue is recognized as revenue in the period to which the event takes place.

Membership revenue

Membership revenue is recognized on a straight-line basis over the period to which it relates.

Interest revenue

Interest revenue is recognized using the effective interest method.

Provision of services

Revenue recognition relating to the provision of services is recognized on delivery of service to the customer.

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

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (Cont'd)

(e) 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.

(f) Trade and other receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost, less provision for doubtful debts.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is established on an expected credit loss (ECL) - forward looking - basis for all trade receivables at amortised cost. The amount of the provision is the difference between the asset's carrying value amount and the present value of estimated future cash flows. The amount of the provision is recognized in the statement of surplus or deficit and other comprehensive income.

(g) Investments and other financial assets

a. Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company is using the measured at amortized cost method for all its financial assets, namely trade and other receivables. Assets measured at amortized cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows which are solely payments of principal and interest on the principal amount outstanding.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements

For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (Cont'd)

(h) Investments and other financial assets

b. Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

c. Measurement

Subsequent to initial recognition, financial assets are carried at amortized cost using the effective interest rate method less provision for impairment.

Interest income and impairment for expected credit losses are recognized in the profit or loss. Gain or loss on derecognition is recognized in profit or loss.

d. Impairment

Impairment of financial assets is recognized on an expected credit loss (ECL) – forward looking – basis for all financial assets measured at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company considers reasonable and supportable information that is relevant and available, including both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment, including forward looking information.

Credit losses are measured as the present value of the difference between the cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

(i) Property, plant and equipment

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.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalized 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.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements
For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (Cont'd)

(j) Property, plant and equipment (Cont'd)

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

Class of Fixed Asset	Depreciation Rate
Buildings	2.5%-10% PC
Plant and Equipment	5-33% 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.

(k) 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 recognized 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.

(l) Intangibles

Trademarks

Trademarks are recognized at cost of acquisition. Trademarks have a finite life and are carried at cost less any accumulated amortization and any impairment losses. Trademarks are amortized over their useful life of ten years.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (Cont'd)

(m) Intangibles (Cont'd)

Software

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

Amortization

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

Amortization is recognized 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.

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

(n) 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. The amounts are unsecured and are usually paid within 30 days of recognition.

(o) Contract liabilities

When an amount of consideration is received from a customer prior to the Company transferring the service to the customer, the Company presents the unsatisfied (or partially unsatisfied) performance obligations as a contract liability.

(p) 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.

(q) Financial liabilities

i) Classification

The Company classifies its financial liabilities as those to be measured at amortised cost.

The financial liabilities of the Company comprise trade payables and bank loans.

Liabilities measured at amortised cost are financial liabilities where the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (Cont'd)

(q) Financial liabilities (Cont'd)

ii) Recognition and derecognition

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(r) 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.

(s) 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. 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.

(t) New Accounting Standards and Interpretations

The company 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.

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

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2022

1 Summary of Significant Accounting Policies (Cont'd)

(u) Critical accounting judgement, estimates and assumptions

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, management believes 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 company 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 company 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 company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2022

2 Revenue and Other Income

	2022	2021
	\$	\$
<i>Revenue from contracts with customers</i>		
- Membership subscriptions	728,641	756,705
- Partnership agreements	296,822	568,453
- Member education and events	12,366	134,720
- Grants received	661,342	253,142
- Publications	18,845	26,973
- Conference	105,949	6,000
Total revenue from contracts with customers	<u>1,823,965</u>	<u>1,745,993</u>
<i>Other revenue from ordinary activities</i>		
- Premises rental	-	-
- Other revenue	-	45,549
- Interest revenue	1,564	11,176
Total other revenue from ordinary activities	<u>1,564</u>	<u>56,785</u>
Total Revenue	<u>1,825,529</u>	<u>1,802,718</u>

3 Key Management Personnel disclosures

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

Aggregate compensation	<u>181,500</u>	<u>198,098</u>
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4 Cash and Cash Equivalents

CURRENT		
Cash at bank	660,495	366,285
Cash on deposit	1,157,373	1,152,854
Total	<u>1,817,868</u>	<u>1,519,139</u>

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2022

	2022 \$	2021 \$
5 Trade and Other Receivables		
CURRENT		
Trade debtors	186,170	135,441
Expected Credit Losses	(173)	-
Accrued income	1,767	4,722
	<u>187,764</u>	<u>140,163</u>
Total		
6 Other Assets		
CURRENT		
Prepayments	36,080	24,785
Deposits Paid	33,853	20,033
	<u>69,933</u>	<u>44,818</u>
Total		
7 Property, Plant and Equipment		
NON-CURRENT		
Land At cost	590,000	590,000
Building At cost	497,526	497,526
Accumulated depreciation	(175,340)	(154,938)
Total buildings	<u>322,186</u>	<u>342,588</u>
Plant and equipment	161,133	156,275
At cost		
Accumulated depreciation	(133,477)	(92,722)
Total plant and equipment	<u>27,656</u>	<u>63,533</u>
Total property, plant and equipment	<u>939,842</u>	<u>996,141</u>

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 \$
2022	590,000	342,588	63,553	996,141
Balance at the beginning of year	-	-	4,858	4,858
Additions / (Disposals)	-	(20,402)	(40,755)	(61,157)
Depreciation expense	-	(20,402)	(40,755)	(61,157)
Balance at 30 June 2022	<u>590,000</u>	<u>322,186</u>	<u>27,656</u>	<u>939,842</u>

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2022

8 Intangible Assets

Carrying values table

	2022 \$	2021 \$
Patents, trademarks and other rights		
Cost	4,000	4,000
Accumulated amortisation	(400)	-
Net carrying value	<u>3,600</u>	<u>4,000</u>
Computer software		
Cost	26,600	26,600
Accumulated amortisation	(22,388)	(16,919)
Net carrying value	<u>4,212</u>	<u>9,681</u>
Total Intangibles	<u><u>7,812</u></u>	<u><u>13,681</u></u>

Movements in Carrying Amounts

	Patents, trademarks and other rights \$	Computer Software \$	Total \$
2022			
Balance at the beginning of the year	4,000	9,681	13,681
Additions	-	-	-
Intangible assets written off	-	-	-
Amortisation	(400)	(5,469)	(5,869)
Closing Balance	<u>3,600</u>	<u>4,212</u>	<u>7,812</u>

9 Trade and Other Payables

CURRENT

Unsecured liabilities

Trade payables	25,158	24,399
Sundry payables and accrued expenses	80,782	93,262
Contract liabilities	<u>477,284</u>	<u>400,301</u>
	<u><u>583,224</u></u>	<u><u>517,962</u></u>

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2022

10 Borrowings

	2022	2021
	\$	\$
CURRENT		
Secured:		
Bank loans	10(a) 25,000	446
Total current borrowings	<u>25,000</u>	<u>446</u>
(a) Total current and non-current secured liabilities		
Bank loans	<u>25,000</u>	<u>446</u>

The bank loan is secured by a registered first mortgage over the freehold land and buildings of the Company. The loan is classified as current as it is repayable on demand to the finance provider.

(b) Bank facilities

The Company has made loan repayments in advance amounting to \$199,278 and has a credit card facility amounting to \$29,000 (balance cleared monthly). At 30 June 2022, this facility was fully available (2021: \$29,000). Interest rates are variable.

11 Employee benefits

CURRENT		
Provision for employee benefits	54,015	32,822
NON-CURRENT		
Provision for employee benefits	<u>8,588</u>	<u>3,892</u>

12 Commitments

The company had no commitments for expenditure as at 30 June 2022 and 30 June 2021.

13 Contingent liabilities

The company had no contingent liabilities as at 30 June 2022 and 30 June 2021.

Australian Association of Practice Management Limited

ABN 91 010 067 615

Notes to the Financial Statements For the Year Ended 30 June 2022

14 Related Party Transactions	2022	2021
	\$	\$

a. Transactions with Directors

Key management personnel

Disclosures relating to key management personnel are set out in note 3.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Presidents honorarium:

Danny Haydon	5,000	-
Jon Erwin	5,000	-
James Downing	1,000	-
Jacque Beer	1,000	-
Raelene Tully	1,000	-
Bruce McDonald	1,000	-

15 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 2022 the number of members was 2,322 (2021: 2,437).

16 Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 30 June 2022, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Australian Association of Practice Management Limited

ABN 91 010 067 615

**Notes to the Financial Statements
For the Year Ended 30 June 2022**