

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
A.C.N. 010 067 615

FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2011

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
A.C.N. 010 067 615

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2011

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THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
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DIRECTORS' REPORT

Your directors present their report on the company for the financial year ended 30 June 2011.

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

Mr Brett McPherson
Ms Narelle Supanz
Ms Marina Fulcher
Ms Carolyn Ingram
Ms Anne Davis retired 5 October 2010
Ms Tanya Marin retired 5 October 2010
Ms Linda Osman
Ms Debra Smith
Ms Tamara Ruff appointed 5 October 2010

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

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

Debra Smith

The profit of the company for the financial year amounted to \$6,107.

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DIRECTORS' REPORT

Review of Operations

AAPM continued to provide quality management training throughout the period.

2010-2011 saw AAPM undertake a number of major projects including, undertaking the second National Membership Satisfaction Survey, the fourth edition of the National Practice Manager Salary Survey (to be launched in October 2011), securing a major partnership with the National e-Health Transition Authority thereby allowing us to appoint a full time e-health Marketing Officer to assist in developing resources and materials specific to Practice Managers.

We delivered for the first time a successful joint National Conference with the Royal Australian College of General Practitioners (RACGP) in Cairns and commencing the re-development of a high quality robust website whilst we continue to respond to and represent Practice Managers across Australia.

At the time of writing we are close to securing a long term tenant on the ground floor that will further provide income for AAPM.

The findings from the 2011 National Membership Satisfaction Survey have allowed AAPM to reflect and identify a number of key areas that need to be addressed and opportunities to further meet the needs of our members. In so doing the organisation has had to realign itself to ensure that member needs are consistently met in the future. The findings also provide national and state benchmarks of how AAPM should perform in the future.

With the evolving change in the healthcare sector landscape, the Board, management and staff commenced 'planning the plan' to develop a new three year strategic plan involving state branch presidents and relevant stakeholders in the process. In doing so one of the major strategic shifts has been how our financial operations are governed and managed, integrating and centralising our financial systems within Head Office. This will provide a much stronger governance process, reduce overheads and provide added security for AAPM in the long term future. In addition Head Office has provided administrative support to New South Wales and Tasmania and will soon be supporting other states in the coming months.

During all this AAPM's profile and reputation and demands upon representatives continue to grow and this reflects on the many number of representations across various sectors at national level. In addition we have established a number of taskforces namely "Non-GP Specialist and Allied Health Taskforce", "National Indigenous Taskforce" and "National Marketing Taskforce" to ensure we continue to meet members needs and entice growth and retention in the process.

Whilst addressing the needs of our current and future members and stakeholders; and identifying ways to maintain membership retention, considerable work has also been undertaken to identify and secure new income streams for AAPM in order to meet the demands of our members and this association. In doing so we have undertaken a major shift in how AAPM operates and this is reflected in our past twelve months financial reporting performance. In addition, a number of new advertising and revenue initiatives will be implemented during 2011-2012 which will open further opportunities for AAPM to grow and deliver new services and at the same time strengthen the capacity and foundation of AAPM in the future.

No significant changes in the company's state of affairs occurred during the financial year.

The principal activities of the company during the financial year were the provision of further education and career enhancements in management for the health industry.

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No significant change in the nature of these activities occurred during the year.

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

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

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

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DIRECTORS' REPORT

Information on Directors

Brett McPherson

Qualifications	Brett holds a postgraduate diploma in Business, Further Education Teaching Certificate (Oxford, UK).
Experience	<p>Brett has more than 18 years' experience as a practice manager in both allied health/general practice and private/corporate environments. He currently manages a large GP practice and specialist centre in outer metropolitan Melbourne.</p> <p>He is a Fellow of AAPM and has been a member of the National Executive, National Board, national working parties and state committees, and is currently national vice-president and treasurer of the Victorian State Branch.</p> <p>He has been a member of the National GP Software Review panel, consultant to medical practices and companies, and is currently co-writing two books on practice management.</p>
Special Responsibilities	National President

Narelle Supanz

Qualifications	Narelle is a Fellow of AAPM, a member of the Australian Institute of Management and has a Diploma in Practice Management.
Experience	<p>Narelle joined the National Board in 2007 and is the current National Vice-President. Prior to joining the board Narelle had spent eight years on the Western Australian state committee which included serving three terms as WA state president and three terms as WA state secretary.</p> <p>She is currently Practice Manager for the Western Australian Plastic Surgery Centre, one of the largest private plastic surgery practices in Australia. Currently the practice has 8 surgeons an occupational physician and over 20 staff in the practice. Additionally, Narelle provides consultant practice management services to clients in general practice and the occupational health industry.</p> <p>Initially Narelle entered the healthcare industry as office manager for WA's largest pathology company. Following this and for the last 19 years she has worked in practice management roles for general practice, cosmetic medicine, occupational health, respiratory medicine and psychology practices. Narelle's skills and passion for Practice Management enabled her to mentor new Practice Managers, providing structured training and support throughout Western Australia both locally in Perth and in regional areas. She has also been a surveyor for accreditation body GPA.</p>
Special Responsibilities	National Vice President

Marina Fulcher

Qualifications	Marina has a Diploma in Practice Management, Diploma in Management and Leadership, OND Business Studies and was one of the first students in Australia to complete the Certificate IV in Training and Assessment.
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DIRECTORS' REPORT

Experience Marina had her first job as a secretary in a general practice when she was living in England in the early 1970s. Since that time she has had experience with working in and managing many different practice types - dental, radiology, mixed allied health, community mental health and specialist practices, solo practitioner and a large 52 practitioner multi-specialist practice.

A Fellow of AAPM, she joined the Association in 1997 and has enjoyed the many benefits of membership since that time, particularly the networking and education. "I was finally persuaded to join the NSW Committee in 2004 and have never regretted that decision," she says.

Nationally, Marina has been a member of the Member Focus Committee and chaired the Learning and Growth Committee. She was elected as a NSW National Board representative in 2005 and held the position of Vice President in 2006/07 and AAPM National President for two years from 2007 to 2009.

She has her own practice management business and is currently working with a seven-doctor general practice. Marina also works as a trainer for a practice management software company, giving her exposure to the challenges of working in many different practice types, both privately owned and in the NSW state hospital system.

Special Responsibilities National Treasurer

Carolyn Ingram

Qualifications Carolyn holds a BA (Music), Grad Dip Teach, and Dip Prac Man, AIMM.

Experience Carolyn stems from a background in education having taught as a secondary educator since 1991. She began her interest in practice management when helping establish her husband's private practice in 2003 and soon after joined the AAPM Old branch to gain valuable education and network opportunities from the organisation.

Carolyn opened her own business, 'Clinic Aesthetic', a non-surgical cosmetic clinic based in South Brisbane in late 2005. This provides her with a real grounding and experience in small business enterprises. It also offers its own challenges and rewards as it stands in the widely contested field of cosmetic medicine.

Carolyn has gained her Diploma of Practice Management and continually seeks educational opportunities to further her knowledge in the area. She became a member of the AAPM National Editorial Committee in September 2007 and is a current AAPM Qld council member and AAPM National Board Member.

Anne Davis
Qualifications

Anne has an MBA, Diploma in Corporate Governance, Diploma in Practice Management, Certificate in Workplace Training and Assessment and Bachelor of Science (Hons).

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DIRECTORS' REPORT

Experience	<p>Anne is a director of Professional Management Solutions, a consulting and training company working exclusively in the health care sector. Her work is about people and their businesses. The challenge always being to balance each of the foundations of business - finance, people, marketing and legal issues - to achieve positive outcomes. Anne believes the key to this success is communication - in all its forms.</p> <p>Anne has been in the health care industry all her working life, gathering experiences as a biochemist, registered nurse, practice manager, trainer and consultant. A strong academic background supports her practical approach.</p> <p>Anne has been a member of AAPM since 1987 and at various times has been a NSW Committee member, editor of the NSW Newsletter, convener of the ACT group, member of the National Journal committee and UNEP presenter and assessor for the Diploma in Practice Management.</p> <p>Her focus whilst on the National Board was in the promotion and delivery of education, with an aim to improving the equity of access for all members.</p>
Tanya Marin Experience	<p>Tanya has a keen interest in public health and has worked in the public health sector since 2003.</p> <p>Tanya was introduced to the AAPM in 2007, she became a member and subsequently joined the South Australian committee. Joining the AAPM has afforded Tanya the opportunity to continue her professional development by attending regular training seminars.</p>
Linda Osman Experience	<p>Linda has been working in Practice Management for many years including work in a varied range of disciplines from General Practice, Specialist Practice and Aboriginal Health and Medical Imaging.</p> <p>Initially becoming involved with AAPM in 1995 and subsequently joined the Victorian committee in 1999. During that time Linda has been the Victorian president, vice-president, national secretary and national vice-president.</p> <p>Her involvement at the national level has extended to being part of the working party for AAPM's Practice Manual 'The Guide', participating on the Internal Business Committee (formerly Structure Committee) for which she served as chairperson and as part of the Working Party for the national website.</p> <p>Currently Linda is the Victorian representative the National Board and recently represented AAPM as the conference convenor for the 2009 Melbourne conference.</p>
Debra Smith Qualifications	<p>Debra is a fellow of AAPM, holds a Diploma in Practice Management, Cert. IV in Workplace Training & Assessment, and is a JP.</p>

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DIRECTORS' REPORT

Experience	<p>Debra has a nursing background of nearly 30 years and has experience in Practice Management with both GP's & Specialists. She currently manages a private General Practice on the beautiful Central Coast of NSW.</p> <p>She is also a tutor with the Central Coast Community College in medical software and presents on a variety of topics for various organisations. She has been a member of the NSW committee since 2000 and is currently serving in the role of Vice President. She is also an accreditation surveyor with General Practice Accreditation Limited (GPA).</p> <p>Her enthusiasm for the role of Practice Management was instrumental in the inauguration of the "NSW Practice Manager of the Year Award" in 2009 which will become an annual event within the state.</p>
Special Responsibilities	National Secretary
Tamara Ruff	
Qualifications	Tamara has completed a Postgraduate Certificate in Practice Management and will be continuing on to a Masters Degree in the near future.
Experience	Tamara has just joined the Board and is South Australia's branch president. She has been involved in the healthcare industry for 27 years, beginning her journey as medical receptionist and not long after becoming practice manager for a large country general practice. In 2003 she moved to Adelaide to commence a specialist practice for a gastroenterologist.

Meetings of Directors

During the financial year, six meetings of directors (including committees of directors) were held. Attendances by each directors during the year were:

	Number Eligible to Attend	Number Attended
Brett McPherson	6	6
Narelle Supanz	6	6
Marina Fulcher	6	6
Carolyn Ingram	6	6
Anne Davis	1	0
Tanya Marin	2	1
Linda Osman	6	6
Debra Smith	6	6
Tamara Ruff	5	4

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company against a liability incurred as such a director, to the extent permitted by the Corporations Law. The company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer of the company against a liability incurred as such an officer.

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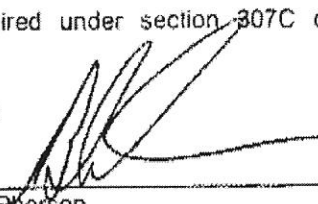
DIRECTORS' REPORT

Auditors' Independence Declaration

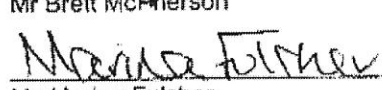
A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 9.

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

Director:


Mr Brett McPherson

Director:


Ms Marina Fulcher

Dated this 13th day of October 2011

**AUDITORS' INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD**

We declare, that to the best of our knowledge and belief, during the year ended 30 June 2011 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.

Name of Firm: Brentnalls SA
Chartered Accountants

Name of Partner:



Craig L Farrow

Address: 255 Port Road, Hindmarsh SA

Dated this 13th **day of** October 2011

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2011

	Note	2011 \$	2010 \$
Revenue	2	925,597	754,981
Auditors' remuneration	3	(24,522)	(25,150)
Bad and doubtful debt expenses		-	(129)
Commissions paid		(155,250)	(126,613)
Depreciation and amortisation expenses		(24,989)	(23,247)
Employee benefits expenses		(368,208)	(340,288)
Finance costs	4	(53,954)	(35,173)
Other expenses		(292,567)	(305,985)
Profit (Loss) for the year	4	6,107	(101,604)
Total comprehensive income for the year		6,107	(101,604)
Total comprehensive income attributable to members of the entity		6,107	(101,604)

The accompanying notes form part of these financial statements.

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
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STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	Note	2011 \$	2010 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	313,051	365,171
Trade and other receivables	6	121,800	81,379
TOTAL CURRENT ASSETS		<u>434,851</u>	<u>446,550</u>
NON-CURRENT ASSETS			
Property, plant and equipment	7	1,017,863	1,013,600
Intangible assets	8	29,945	36,716
TOTAL NON-CURRENT ASSETS		<u>1,047,808</u>	<u>1,050,316</u>
TOTAL ASSETS		<u>1,482,659</u>	<u>1,496,866</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	207,299	224,253
Borrowings	10	655,988	653,943
Provisions	11	28,728	14,762
TOTAL CURRENT LIABILITIES		<u>892,015</u>	<u>892,958</u>
NON-CURRENT LIABILITIES			
Borrowings	10	6,897	26,269
TOTAL NON-CURRENT LIABILITIES		<u>6,897</u>	<u>26,269</u>
TOTAL LIABILITIES		<u>898,912</u>	<u>919,227</u>
NET ASSETS		<u>583,747</u>	<u>577,639</u>
EQUITY			
Retained earnings	12	583,747	577,639
TOTAL EQUITY		<u>583,747</u>	<u>577,639</u>

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2011

	Note	Retained earnings \$	Education Reserve \$	Total \$
Balance at 1 July 2009		642,314	36,929	679,243
Transfer from Reserve		36,929	(36,929)	-
Profit attributable to members		(101,604)	-	(101,604)
Balance at 30 June 2010		577,639	-	577,639
Profit attributable to members		6,107	-	6,107
Balance at 30 June 2011		583,746	-	583,746

The accompanying notes form part of these financial statements.

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2011

		2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members and customers		883,654	828,022
Payments to suppliers and employees		(846,207)	(848,407)
Interest received		6,137	9,542
Interest paid		(53,954)	(35,173)
Net cash used in operating activities	17	<u>(10,369)</u>	<u>(46,017)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment and intangibles		(24,424)	(1,000,088)
Net cash provided by (used in) investing activities		<u>(24,424)</u>	<u>(1,000,088)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		5,917	630,700
Repayment of borrowings		(23,243)	(10,170)
Net cash provided by (used in) financing activities		<u>(17,326)</u>	<u>620,530</u>
Net decrease in cash held		(52,119)	(425,575)
Cash at beginning of financial year		365,171	790,745
Cash at end of financial year	5	<u>313,052</u>	<u>365,171</u>

The accompanying notes form part of these financial statements.

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

1 Statement of Significant Accounting Policies

This financial report covers The Australian Association of Practice Managers Ltd as an individual entity. The Australian Association of Practice Managers Ltd is a company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations and other 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 a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

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

Accounting Policies

Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

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Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

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

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line/diminishing value basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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 or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Lease Income

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

Financial Instruments

Initial Recognition and Measurement

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

Financial instruments are initially measured at fair value plus transactions 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.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the company assesses whether there is objective evidence that a financial instrument has been impaired. Impairment losses are immediately recognised in profit or loss. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

Intangibles

Trademarks

Trademarks are recognised at cost of acquisition. Trademarks have an infinite life and are carried at cost less any impairment losses. Trademarks are not amortised.

Other intangibles

The iMIS licence fee and implementation costs are being amortised over 48 months.

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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 period. 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.

Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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 short-term borrowings in current liabilities on the statement of financial position.

Revenue and Other Income

Revenue is measured at the fair 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.

Subscriptions from members are recognised as income in the period to which the subscriptions relate.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

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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 (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

Comparative Figures

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

Branch Statements

The accounts of the company represent the combined financial statements of the following State Branches with the National Secretariat:

Western Australia
South Australia
Queensland
Tasmania
New South Wales
Victoria

Adjustments are made to bring into line any dissimilar accounting policies that may exist. All inter-branch balances and transactions have been eliminated.

Income Tax

The Australian Association of Practice Managers Limited was granted tax exemption under section 50-5 of the Income Tax Assessment Act (1997).

Liability of Members

The company is a company limited by guarantee and the liabilities of the members is limited to \$50 per member. As at 30 June 2011, there were 1,719 members.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
2 Revenue and Other Income		
Revenue		
Sales revenue:		
Rendering of services	841,221	718,682
Other revenue:		
Interest received	6,138	9,542
Other revenue	78,238	26,757
	<u>84,376</u>	<u>36,299</u>
Total revenue	<u>925,597</u>	<u>754,981</u>
Interest revenue from:		
Interest Received	6,138	9,542
Total interest revenue on financial assets	<u>6,138</u>	<u>9,542</u>
Other revenue from:		
Employment Assistance Fund	14,957	-
Insurance Recoveries	9,428	-
Rents Received	24,569	5,431
Other Income	29,284	21,326
Total other revenue	<u>78,238</u>	<u>26,757</u>
3 Auditors' Remuneration		
Auditors Remuneration		
Fees	16,422	16,650
Other	8,100	8,500
	<u>24,522</u>	<u>25,150</u>
4 Profit for the year		
Expenses		
Interest Paid	53,954	35,173
Total finance costs	<u>53,954</u>	<u>35,173</u>
Depreciation and amortisation of property, plant, equipment and intangibles	24,989	23,247

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
Bad Debts	-	129
Total bad and doubtful debts	-	129
5 Cash and Cash Equivalents		
Cash in Hand	75	76
Cash at Bank	268,349	289,165
Interest Bearing Deposits	44,627	75,930
	<u>313,051</u>	<u>365,171</u>
Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash and cash equivalents	<u>313,051</u>	<u>365,171</u>
	<u>313,051</u>	<u>365,171</u>
6 Trade and Other Receivables		
Current		
Other Debtors & Prepayments	99,814	65,685
Trade Debtors	21,986	15,694
	<u>121,800</u>	<u>81,379</u>
7 Property, Plant and Equipment		
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	77,770	62,890
Accumulated depreciation	<u>(41,248)</u>	<u>(32,574)</u>
Total Plant and Equipment	<u>36,522</u>	<u>30,316</u>

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$

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.

	Property	Office Equipment	Total
	\$	\$	\$
Balance at 1 July 2009	-	23,540	23,540
Additions	983,284	16,804	1,000,088
Depreciation expense	-	(10,027)	(10,027)
Balance at 30 June 2010	983,284	30,317	1,013,601
Additions	-	15,864	15,864
Lease Expense	(1,943)	-	(1,943)
Depreciation expense	-	(9,659)	(9,659)
Carrying amount at 30 June 2011	981,341	36,522	1,017,863

8 Intangible Assets

iMIS Licence Fee and Implementation at Cost	60,000	52,880
Less Prov'n for Amortisation	(31,495)	(16,524)
Trade Mark	1,440	360
Net carrying value	(30,055)	(16,164)
Total	29,945	36,716

9 Trade and Other Payables

Current		
Trade Creditors	56,547	53,946
Subscriptions in Advance	114,086	145,610
Other Income in Advance	21,712	4,606
Other Creditors and Accruals	1,922	3,285
GST Payable	13,032	16,806
	207,299	224,253

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
10 Borrowings		
Current		
Medfin Loan	19,371	17,537
Premium Funding	5,917	5,706
Commonwealth Bank Variable Loan	630,700	630,700
Total current borrowings	<u>655,988</u>	<u>653,943</u>
Non-Current		
Medfin Loan	<u>6,897</u>	<u>26,269</u>
Total borrowings	<u>662,885</u>	<u>680,212</u>
11 Provisions		
Employee Benefits - Annual Leave	9,695	14,762
Provision for Expenditure	19,033	-
Total provisions	<u>28,728</u>	<u>14,762</u>
Analysis of Total Provisions		
Current	<u>28,728</u>	<u>14,762</u>
	<u>28,728</u>	<u>14,762</u>
12 Retained Earnings		
Retained earnings at the beginning of the financial year	540,711	642,314
Net profit (Net loss) attributable to members of the company	6,107	(101,604)
Retained earnings at the end of the financial year	<u>546,818</u>	<u>540,710</u>

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
13 Operating Lease Income		
Operating Lease		
Future minimum lease payments		
Not later than 12 months	-	15,000
	-	15,000
<p>The operating lease for the ground floor of 60 Lothian Street, North Melbourne expired on 25 April 2011. The premises were untenanted as at 30 June 2011 but a new lease has since been signed.</p>		
14 Related Party Transactions		
<p>Transactions between related parties are on normal commercial terms and conditions. These terms and conditions are no more favourable than those available to other parties unless otherwise stated.</p> <p>Transactions with related parties:</p> <p>Some directors of the company and their associates who presented as speakers at AAPM events were paid speaker fees or provided with accommodation and complimentary registration in lieu of speaker fees.</p>		
	8,136	
15 Economic Dependence		
<p>A significant portion of revenue from ordinary activities is from members subscriptions and the entity is dependent on their receipt for continued operations.</p>		
16 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit		
Profit (Loss)	6,107	(101,604)

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
Depreciation and Amortisation	24,989	23,247
Movement in Provisions	13,966	8,459
(Increase)/decrease in receivables	(40,420)	58,934
(Decrease)/increase in creditors/accruals	(2,536)	(50,109)
(Decrease)/increase in prepaid income	(14,418)	15,055
(Increase)/decrease in property	1,943	-
	<u>(10,369)</u>	<u>(46,017)</u>

17 Financial Risk Management

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, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

	2011 \$	2010 \$
Financial Assets		
Cash in Hand	76	76
Cash at Bank	268,349	289,165
Interest Bearing Deposits	44,627	75,930
Debtors and Prepayment	<u>121,800</u>	<u>81,379</u>
Total Financial Assets	<u>434,852</u>	<u>446,550</u>
Financial Liabilities		
Trade and Other Payables	(207,299)	(224,253)
Medfin Loan	(26,268)	(43,806)
Premium Funding	(5,917)	(5,706)
Commonwealth Bank	<u>(630,700)</u>	<u>(630,700)</u>
Total Financial Liabilities	<u>(870,184)</u>	<u>(904,465)</u>

Financial Risk Management Policies

The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance.

Risk management policies are approved and reviewed by the Board of Directors on a regular basis. These included the credit risk policies and future cash flow requirements.

The main purpose of non-derivative financial instruments is to raise finance for company operations.

The company does not have any derivative instruments at 30 June 2011.

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
A.C.N. 010 067 615

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

	2011	2010
	\$	\$

Specific Financial Risk Exposures and Management

Interest rate risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates is not material.

Credit risk

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

Net Fair Values

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

	2011		2010	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
	\$	\$	\$	\$
Financial Assets				
Cash in Hand	76	76	76	76
Cash at Bank	268,349	268,349	289,165	289,165
Interest Bearing Deposits	44,627	44,627	75,930	75,930
Debtors and Prepayment	121,800	121,800	81,379	81,379
Total Financial Assets	434,852	434,852	446,550	446,550

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
A.C.N. 010 067 615

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

		2011		2010
		\$		\$
<hr/>				
Financial Liabilities				
Trade and Other Payables	(207,299)	(207,299)	(224,253)	(224,253)
Medfin Loan	(26,268)	(26,268)	(43,806)	(43,806)
Insurance Funding	(5,917)	(5,917)	(5,706)	(5,706)
Commonwealth Bank Variable Loan	(630,700)	(630,700)	(630,700)	(630,700)
Total Financial Liabilities	(870,184)	(870,184)	(904,465)	(904,465)

18 Company Details

The Australian Association of Practice Managers Ltd

The principal place of business is:

Level 1, 60 Lothian Street, North Melbourne, Victoria, 3051

19 Segment Reporting

The company operates solely within Australia providing management training services.

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
A.C.N. 010 067 615

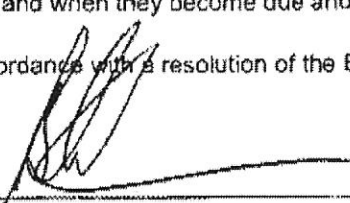
DIRECTORS' DECLARATION

The directors of the company declare that:

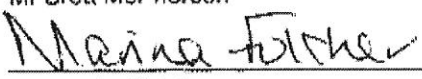
1. The financial statements and notes, as set out on pages 1 to 26, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - (b) give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the company.
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.

Director:


Mr Brett McPherson

Director:


Ms Marina Fulcher

Dated this

13th day of October 2011

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
A.C.N. 010 067 615

Report on the Financial Report

We have audited the accompanying financial report of The Australian Association of Practice Managers Ltd which comprises the statement of financial position as at 30 June 2011 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditors' 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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 auditors' judgment, 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 auditors consider internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity'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.

The branches during all or part of, or at the end of, the financial year, but of which we have not acted as auditors are Western Australia, Victoria and New South Wales.

We have, however, received sufficient information and explanations concerning those branches to enable us to form an opinion on the financial report.

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

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, provided to the directors of the company, would be in the same terms if provided to the directors as at the date of this auditor's report.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
A.C.N. 010 067 615**

Auditors' Opinion

In our opinion:

- (a) the financial report of The Australian Association of Practice Managers Ltd 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 2011 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Name of Firm: Brentnalls SA
Chartered Accountants

Name of Partner:


Craig L Farrow

Address: 255 Port Road, Hindmarsh SA

Dated this 13th **day of** October 2011

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
A.C.N. 010 067 615

MANAGEMENT PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2011

		2011 \$	2010 \$
INCOME			
Services	20	147,170	101,100
Journal Advertising		39,563	36,781
Publications		10,793	9,612
Subscriptions		460,014	454,253
Seminars, Functions and Meetings		143,618	116,936
National E-Health Project		40,063	-
Employment Assistance Fund		14,957	-
Insurance Recoveries		9,428	-
Interest Received		6,138	9,542
Rents Received		24,569	5,431
Other Income		29,284	21,326
		<u>925,597</u>	<u>754,981</u>
EXPENSES			
Administration Expenses		103,461	130,784
Amortisation		15,330	13,220
Auditors Remuneration	21	24,522	25,150
Bad Debts		-	129
Committee Expenses		155,250	126,613
Depreciation/Loss on Sale Property, Plant and Equipment		9,659	10,027
Interest Paid		53,954	35,173
National President and Board Costs		45,720	41,687
Other Expenses		143,386	133,514
Secretariat and Employment Expenses		368,208	340,288
		<u>919,490</u>	<u>856,585</u>
Operating Profit (Loss)		<u>6,107</u>	<u>(101,604)</u>

The accompanying notes form part of these financial statements.

THE AUSTRALIAN ASSOCIATION OF PRACTICE MANAGERS LTD
A.C.N. 010 067 615

SCHEDULES TO THE MANAGEMENT PROFIT AND LOSS
FOR THE YEAR ENDED 30 JUNE 2011

	2011 \$	2010 \$
20 Services		
Sponsorship	104,796	87,005
Conference Income	42,374	14,095
	<u>147,170</u>	<u>101,100</u>
21 Auditors Remuneration		
Fees	16,422	16,650
Other	8,100	8,500
	<u>24,522</u>	<u>25,150</u>

These notes should be read in conjunction with the attached compilation
report of Brentnalls SA Chartered Accountants.