
Australasian College of Health Service Management

ABN 41 008 390 734

Financial Statements
For the Year Ended 30 June 2023

Australasian College of Health Service Management
Statement of Profit or Loss and Other Comprehensive Income
For the Financial Year Ended 30 June 2023

	Notes	2023 \$	2022 \$
Revenue			
Revenue from contracts with customers	4	3,410,640	2,845,922
Other income	5	52,582	6,191
Total revenue		3,463,222	2,852,113
Expenses			
Administration expenses		(421,606)	(294,438)
Congress expenses		(432,016)	(31,370)
Depreciation		(35,237)	(39,662)
Distribution to overseas branches		(10,318)	(9,916)
Educational expenses		(321,614)	(186,643)
Employee benefits		(1,131,452)	(1,024,122)
Interest expense		(2,609)	(2,832)
Lease payments for short-term and low-value leases		(7,647)	(9,437)
Trainee management scholarships		(934,023)	(801,048)
Total expenses		(3,296,522)	(2,399,468)
Net surplus for the year		166,700	452,645
Income tax expense		-	-
Surplus after income tax		166,700	452,645
Other comprehensive income		-	-
Total comprehensive income		166,700	452,645

The accompanying notes form part of these financial statements.

Australasian College of Health Service Management
Statement of Financial Position
As at 30 June 2023

	Notes	2023 \$	2022 \$
Assets			
Current			
Cash and cash equivalents	6	2,996,202	3,061,574
Trade and other receivables	7	94,075	53,320
Financial assets	8	-	6,875
Other assets	9	290,070	214,980
Current assets		3,380,347	3,336,749
Non-current			
Financial assets	8	8,563	1,688
Property, plant and equipment	10	158,224	36,901
Intangible assets	11	27,467	-
Non-current assets		194,254	38,589
Total assets		3,574,601	3,375,338
Liabilities			
Current			
Trade and other payables	12	211,556	261,835
Provisions	13	181,835	168,613
Other liabilities	14	1,215,001	1,285,749
Current liabilities		1,608,392	1,716,197
Non-current			
Provisions	13	84,596	63,821
Other liabilities	14	119,593	-
Non-current liabilities		204,189	63,821
Total liabilities		1,812,581	1,780,018
Net assets		1,762,020	1,595,320
Equity			
Accumulated funds		1,762,020	1,595,320
Total equity		1,762,020	1,595,320

The accompanying notes form part of these financial statements.

Australasian College of Health Service Management
Statement of Changes in Equity
For the Financial Year Ended 30 June 2023

	Notes	Accumulated Funds \$	Total Equity \$
Balance at 1 July 2021		1,142,675	1,142,675
Surplus for the year		452,645	452,645
Other comprehensive income		-	-
Total comprehensive income		<u>452,645</u>	<u>452,645</u>
Balance at 30 June 2022		<u>1,595,320</u>	<u>1,595,320</u>
Balance at 1 July 2022		1,595,320	1,595,320
Surplus for the year		166,700	166,700
Other comprehensive income		-	-
Total comprehensive income		<u>166,700</u>	<u>166,700</u>
Balance at 30 June 2023		<u>1,762,020</u>	<u>1,762,020</u>

The accompanying notes form part of these financial statements.

Australasian College of Health Service Management
Statement of Cash Flows
For the Financial Year Ended 30 June 2023

	Notes	2023 \$	2022 \$
Cash flows from operating activities			
Receipts from members, grants and others		3,306,541	3,422,957
Interest received		46,145	159
Payments to suppliers and employees		(3,377,258)	(2,836,425)
Interest paid		(2,609)	(2,832)
Net cash (used in)/provided by operating activities		(27,181)	583,859
Cash flows from investing activities			
Dividends received		88	88
Payments for property, plant and equipment		(10,812)	(12,924)
Payments for intangibles		(27,467)	-
Proceeds on sale of property, plant and equipment		-	243
Net cash used in investing activities		(38,191)	(12,593)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Net change in cash and cash equivalents		(65,372)	571,266
Cash and cash equivalents at beginning of financial year	6	3,061,574	2,490,308
Cash and cash equivalents at end of financial year	6	2,996,202	3,061,574

The accompanying notes form part of these financial statements.

**Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023**

1. General information

The financial statements cover Australasian College of Health Service Management, an entity incorporated and domiciled in Australia. The company is a not-for-profit entity limited by guarantee for financial reporting purposes under Australian Accounting Standards and a registered charity under the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements are presented in Australian Dollars (\$AUD), which is also the functional currency of the company.

The principal activities of the entity are being the peak professional body for health managers in Australasia and bringing together health leaders to learn, network and share ideas.

Principal place of business is Level 1, Unit 11, 41–43 Higginbotham Road, Gladesville, NSW, 2111.

The financial report was authorised for issue by the Board of Directors on 14 August 2023.

2. Changes in accounting policies

New and revised standards that are effective for these financial statements

A number of new and revised standards became effective for the first time to annual periods beginning on or after 1 July 2021, the key ones of which are summarised below:

AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities

This Standard sets out a new, separate disclosure Standard to be applied by all entities that are reporting under Tier 2 of the Differential Reporting Framework in AASB 1053. This Standard has been developed based on a new methodology and principles to be used in determining the Tier 2 disclosures that are necessary for meeting user needs, to replace the current Reduced Disclosure Requirements (RDR) framework. The adoption of this accounting standard has not had a material impact on the entity.

Accounting standards issued but not yet effective and not been adopted early by the entity

A number of new and revised standards have been issued but are not yet effective and have not been adopted early by the entity. The Board of Directors is currently assessing the impact such standards will have on the entity.

3. Summary of significant accounting policies

Financial reporting framework

The general purpose financial statements of the entity have been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Statement of compliance

The general purpose financial statements of the entity have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures and other authoritative pronouncements of the Australian Accounting Standards Board.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

Basis of preparation

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

Revenue from contracts with customers

Revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services.

Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Other revenue

For any revenue streams that are not defined as contracts with customers, then the revenue is recognised when the entity gains control, economic benefits are probable and the amount of the revenue can be measured reliably.

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

Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

Income tax

No provision for income tax has been raised as the entity is exempt from income tax as a registered charity under the *Australian Charities and Not-for-profits Commission Act 2012*.

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 between three and 12 months.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected losses. Trade receivables are generally due for settlement within 30 days.

Property, plant and equipment

Plant and equipment

Plant and equipment are measured using the cost model, cost less subsequent depreciation and impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation

The depreciable amount of all fixed assets is depreciated over the asset's useful life to the entity commencing from the time the asset is held ready for use.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

The depreciation rates used in calculating depreciation are:

Class of fixed asset	Depreciation rate
Office equipment	25-33%
Office refurbishment	20-33%
Software	25-33%

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

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

Intangible assets

Finite life intangibles assets

Finite life intangible assets are measured at cost less amortisation and any impairment. The method and useful lives of finite life intangible assets are reviewed annually.

Impairment of assets

At the end of each reporting period the entity determines whether there is evidence of an impairment indicator for non-financial assets.

Financial instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Trade and other payables

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

Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

Provision for employee benefits

Provision is made for the entity'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 wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period 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 satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

Liabilities relating to contracts with customers

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the entity transfers the related goods or services. Contract liabilities include deferred income. Contract liabilities are recognised as revenue when the entity performs under the contract (i.e. transfers control of the related goods or services to the customer).

The services are usually provided within twelve (12) months of receipt of the payment. Where the amount received is in respect of services to be provided over a period that exceeds twelve (12) months after the reporting date, the liability is discounted and presented as non-current.

Leases

The entity assesses at contract inception whether a contract is, or contains, a lease.

As a lessee

The entity applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The entity recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The entity recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	2023	2022
Office space	Lease term	Lease term

The right-of-use assets are also subject to impairment.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

Lease liabilities

At the commencement date of the lease, the entity recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

Short-term leases and leases of low-value assets

The entity's short-term leases are those that have a lease term of 12 months or less from the commencement. It also applies the lease of low-value assets recognition exemption to leases of low-value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. With the exception of minor reclassifications between certain financial statement line items, comparatives are consistent with prior years, unless otherwise stated.

Significant judgement in applying accounting policies

When preparing the financial statements, the Board of Directors undertake a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An allowance for expected credit losses is included, where applicable, for any receivable where the entire balance is not considered collectible. The allowance for expected credit losses is based on the best information at the reporting date.

Useful lives of depreciable assets

The Board of Directors reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the utility of certain software and IT equipment.

Long service leave

The liability for long service leave is recognised and measured at the present value of the estimated 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.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

	2023	2022
	\$	\$
4. Revenue from contracts with customers		
<u>Revenue recognised over time</u>		
Trainee management programs	980,432	1,097,540
Membership fees	698,116	699,264
Education activities	651,804	588,425
Program grants	225,034	219,975
National congress	772,800	157,518
Advertising and sponsorship	82,100	83,200
	<u>3,410,286</u>	<u>2,845,922</u>
 <u>Revenue recognised at a point in time</u>		
Sales	354	-
	<u>354</u>	<u>-</u>
 Total revenue from contracts with customers	 <u>3,410,640</u>	 <u>2,845,922</u>

How the entity recognises revenue

Trainee management programs, congress and education activities

Revenue relating to trainee management programs, congress and education activities is recognised over the period in which the service is provided.

Program grants

If conditions are attached to a grant, revenue is recognised when the entity satisfies those conditions.

Advertising, sponsorship and membership revenue

Advertising, sponsorship and membership revenue is recognised over the period of the agreement.

5. Other income

Net gain on sale of property, plant and equipment	-	243
Interest income	46,145	159
Dividend income	88	88
Other income	6,349	5,701
	<u>52,582</u>	<u>6,191</u>

6. Cash and cash equivalents

Cash at bank	1,396,202	3,061,574
Short-term deposits	1,600,000	-
	<u>2,996,202</u>	<u>3,061,574</u>

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

	2023	2022
	\$	\$
7. Trade and other receivables		
Current		
Trade receivables	46,249	40,155
Accrued income	47,826	13,165
	94,075	53,320
8. Financial assets		
Current		
Bank deposits	-	6,875
	-	6,875
Non-current		
Bank deposits	6,875	-
Listed shares	1,688	1,688
	8,563	1,688
9. Other assets		
Current		
Prepayments	290,070	214,980
	290,070	214,980
10. Property, plant and equipment		
Office equipment at cost	98,746	94,678
Office equipment accumulated depreciation	(81,414)	(78,338)
	17,332	16,340
Office refurbishment at cost	42,122	42,122
Office refurbishment accumulated depreciation	(42,122)	(41,469)
	-	653
Software at cost	12,597	12,597
Software accumulated depreciation	(12,597)	(12,597)
	-	-
Right-of-use asset at cost	145,748	91,573
Right-of-use asset accumulated depreciation	(4,856)	(71,665)
	140,892	19,908
Total property, plant and equipment	158,224	36,901

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

10. Property, plant and equipment (continued)

	Office Equipment \$	Office Refurbishment \$	Software \$	Right-of-Use Asset \$
Net carrying amount 1 July 2022	16,340	653	-	19,908
Additions	10,812	-	-	145,748
Disposals	-	-	-	-
Depreciation	(9,820)	(653)	-	(24,764)
Net carrying amount 30 June 2023	<u>17,332</u>	<u>-</u>	<u>-</u>	<u>140,892</u>

	Total \$
Net carrying amount 1 July 2022	36,901
Additions	156,560
Disposals	-
Depreciation	(35,237)
Net carrying amount 30 June 2023	<u>158,224</u>

	2023 \$	2022 \$
11. Intangible assets		
Website at cost	40,374	12,907
Website accumulated depreciation	(12,907)	(12,907)
	<u>27,467</u>	<u>-</u>

12. Trade and other payables

Current

Trade payables	8,913	22,788
Sundry creditors	50,484	41,657
Accrued expenses	78,423	108,939
Net GST payable	73,736	88,451
	<u>211,556</u>	<u>261,835</u>

13. Provisions

Current

Provision for employee benefits	152,899	146,530
HMIP provision	28,936	22,083
	<u>181,835</u>	<u>168,613</u>

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

	2023	2022
	\$	\$
13. Provisions (continued)		
Non-current		
Provision for employee benefits	84,596	63,821
	84,596	63,821
14. Other liabilities		
Current		
Contract liabilities - income in advance	1,192,405	1,262,098
Lease liability	22,596	23,651
	1,215,001	1,285,749
Non-current		
Lease liability	119,593	-
	119,593	-

Future lease payments in relation to lease liabilities as at period end are as follows:

Within one year	32,942	24,365
Later than one year but not later than five years	138,848	-
Later than five years	-	-
	171,790	24,365

The entity leases their office premises, including two basement car spaces. Lease term is for a period of 5 years ending 30 April 2028, with no option of renewal. Payments are made monthly and are subject to annual review based on a fixed percentage of 4%.

15. Related parties

The entity's related parties include its key management personnel and related entities. Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties.

	2023	2022
	\$	\$
<u>Key management personnel compensation</u>		
Total key management compensation	187,399	179,749

16. Remuneration of auditors

SDJA

Audit of financial report	11,000	10,500
Assistance with preparation of the financial report	2,600	2,500
	13,600	13,000

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2023

17. Commitments

The entity had no material unrecognised contractual commitments as at 30 June 2023 (2022: None).

18. Contingent liabilities

There were no contingent liabilities as at 30 June 2023 (2022: None).

19. Subsequent events

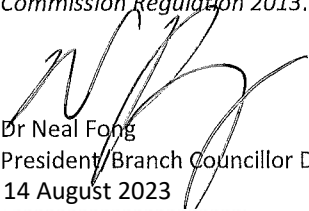
No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of these accounts.

**Australasian College of Health Service Management
Directors' Declaration
For the Financial Year Ended 30 June 2023**


The Directors declare that in the Directors' opinion:

- a) the financial statements and notes are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - i) giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
 - ii) complying with Australian Accounting Standards – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Regulation 2013*; and
- b) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulation 2013*.



Dr Neal Fong
President/Branch Councillor Director
14 August 2023



Mr Michael Palassis
Treasurer
14 August 2023



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Australasian College of Health Service Management
Auditor's Independence Declaration to the Board of Directors of Australasian College of Health
Service Management
For the Financial Year Ended 30 June 2023

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Australasian College of Health Service Management for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and
- b) No contraventions of any applicable code of professional conduct in relation to the audit.

SDJA

SDJA

Simon Joyce

Simon Joyce

Director

14 August 2023

Sydney, New South Wales

**Australasian College of Health Service Management
Independent Auditor's Report to the Members of Australasian College of Health Service
Management
For the Financial Year Ended 30 June 2023**

Opinion

We have audited the financial report of Australasian College of Health Service Management (the registered entity), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the financial report of Australasian College of Health Service Management has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), including:

- (a) giving a true and fair view of the registered entity's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Responsibilities of Directors for the Financial Report

The directors of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Simplified Disclosures and the ACNC Act, 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 preparing the financial report, the directors are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the registered entity or to cease operations or has no realistic alternative but to do so.

The directors are responsible for overseeing the registered entity's financial reporting process.

**Australasian College of Health Service Management
Independent Auditor's Report to the Members of Australasian College of Health Service
Management
For the Financial Year Ended 30 June 2023**

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home>. This description forms part of our auditor's report.

SDJA

SDJA

Simon Joyce

Simon Joyce

Director

14 August 2023

Sydney, New South Wales