
Australasian College of Health Service Management

ABN 41 008 390 734

Financial Statements
For the Year Ended 30 June 2020

Australasian College of Health Service Management
Statement of Profit or Loss and Other Comprehensive Income
For the Financial Year Ended 30 June 2020

	Notes	2020 \$	2019 \$
Revenue	4	3,318,611	2,793,713
Other income	4	345,833	22,710
Total revenue		3,664,444	2,816,423
Expenses			
Congress expenses		(352,308)	(270,445)
Depreciation		(56,295)	(33,691)
Distribution to overseas branches		(7,356)	(10,617)
Educational expenses		(217,933)	(235,349)
Employee benefits		(1,123,374)	(1,043,687)
Interest expense		(6,443)	(4,241)
Trainee management scholarships		(1,311,678)	(595,670)
Other expenses		(343,845)	(414,913)
Total expenses		(3,419,232)	(2,608,613)
Net surplus for the year		245,212	207,810
Income tax expense		-	-
Surplus after income tax		245,212	207,810
Other comprehensive income		-	-
Total comprehensive income		245,212	207,810

The accompanying notes form part of these financial statements.

Australasian College of Health Service Management
Statement of Financial Position
As at 30 June 2020

	Notes	2020 \$	2019 \$
Assets			
Current			
Cash and cash equivalents	5	1,848,382	1,413,533
Receivables	6	116,377	101,940
Financial assets	7	6,875	6,875
Other assets	8	103,585	198,538
Current assets		2,075,219	1,720,886
Non-current			
Financial assets	7	1,688	1,688
Property, plant and equipment	9	101,483	56,996
Intangible assets	10	6,587	10,889
Non-current assets		109,758	69,573
Total assets		2,184,977	1,790,459
Liabilities			
Current			
Trade and other payables	11	463,326	302,373
Provisions	12	168,350	108,857
Other liabilities	13	839,887	945,846
Current liabilities		1,471,563	1,357,076
Non-current			
Provisions	12	27,840	42,233
Other liabilities	13	49,212	-
Non-current liabilities		77,052	42,233
Total liabilities		1,548,615	1,399,309
Net assets		636,362	391,150
Equity			
Accumulated funds		636,362	391,150
Total equity		636,362	391,150

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 2020**

	Notes	Accumulated Funds \$	Total Equity \$
Balance at 1 July 2018		183,340	183,340
Surplus for the year		207,810	207,810
Other comprehensive income		-	-
Total comprehensive income		<u>207,810</u>	<u>207,810</u>
Balance at 30 June 2019		<u>391,150</u>	<u>391,150</u>
Balance at 1 July 2019		391,150	391,150
Surplus for the year		245,212	245,212
Other comprehensive income		-	-
Total comprehensive income		<u>245,212</u>	<u>245,212</u>
Balance at 30 June 2020		<u>636,362</u>	<u>636,362</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 2020

	Notes	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from members and grants		3,649,121	2,741,022
Receipts from government stimulus		206,000	-
Interest received		2,821	6,523
Payments to suppliers and employees		(3,417,186)	(2,536,592)
Interest paid		(1,061)	(4,241)
Net cash provided by operating activities		439,695	206,712
Cash flows from investing activities			
Dividends received		62	144
Proceeds from investments		-	24,901
Purchase of property, plant and equipment		(4,908)	(28,530)
Purchase of intangible assets		-	(12,907)
Net cash used in investing activities		(4,846)	(16,392)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Net change in cash and cash equivalents		434,849	190,320
Cash and cash equivalents at beginning of financial year	5	1,413,533	1,223,213
Cash and cash equivalents at end of financial year	5	1,848,382	1,413,533

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 2020**

1. General information

The financial statements cover Australasian College of Health Service Management, an entity incorporated 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*.

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 20 November 2020.

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 January 2019. Unless otherwise stated below, the adoption of these new and revised standards has not had a material impact on the entity.

AASB 16 Leases

This standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity. An entity shall consider the terms and conditions of contracts and all relevant facts and circumstances when applying this standard. An entity shall apply this standard consistently to contracts with similar characteristics and in similar circumstances. This standard has been applied using the modified retrospective with practical expedients option, resulting in the recognition of a right-of-use asset at the value of a corresponding lease liability at the commencement of the current financial year.

AASB 15 Revenue from Contracts with Customers

The objective of this standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The adoption of this new accounting standard has not had a material impact on the entity's financial statements.

AASB 1058 Income of Not-for-Profit Entities

This standard provides a more comprehensive model for accounting for income of not-for-profit entities for the recognition of income. Under this standard, the timing of income recognition will depend on whether a transaction gives rise to a performance obligation, liability or contribution by owners. The adoption of this new accounting standard has not had a material impact on the entity's financial statements.

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.

**Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020**

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 – Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board.

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

Revenue comprises revenue mainly from member contributions for provision of services, grants, interest, dividend and other income. Revenue from major services is shown in Note 4.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the entity's different activities have been met. Details of the activity-specific recognition criteria are described below.

Member contributions

Fees charged for services provided are recognised when the service is provided.

Membership fees for the membership year (April – March) is amortised over the 12-month period with the census date of 30 June.

Advertising, sponsorship, education, and national congress revenue are recognised when the right to receive payment is established.

Trainee management program revenue is recognised over the calendar year in conjunction with university semesters.

Grants

A number of the entity's programs are supported by grants received from various bodies.

If conditions are attached to a grant which must be satisfied before the entity is eligible to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where a grant is received on the condition that specified services are delivered to the grantor, this is considered a reciprocal transaction. Revenue is recognised as services are performed and at year end a liability is recognised until the service is delivered.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020

Revenue from a non-reciprocal grant that is not subject to conditions is recognised when the entity obtains control of the funds, economic benefits are probable and the amount can be measured reliably. Where a grant may be required to be repaid if certain conditions are not satisfied, a liability is recognised at year end to the extent that conditions remain unsatisfied.

Where the entity receives a non-reciprocal contribution of an asset from a government or other party for no or nominal consideration, the asset is recognised at fair value and a corresponding amount of revenue is recognised.

Program grant revenue received from the Department of Health for the Rural Health Management Internship Program is recognised over the periods in which ACHSM recognises as expenses the related costs for which the grants are intended to compensate.

Interest income

Interest income is recognised on an accrual basis using the effective interest method.

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the entity and the amount of income can be measured reliably.

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 includes 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 provision for impairment. Trade receivables are generally due for settlement within 14 days.

Property, plant and equipment

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

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 2020

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%
Right-of-use assets	Based on life of lease

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.

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.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or CGU.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

Financial instruments

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the entity becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

Financial assets are divided into the following categories which are described in detail below:

- loans and receivables;
- financial assets at fair value through profit or loss;
- available-for-sale financial assets; and
- held-to-maturity investments.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020

Financial assets are assigned to the different categories on initial recognition, depending on the characteristics of the instrument and its purpose. A financial instrument's category is relevant to the way it is measured and whether any resulting income and expenses are recognised in profit or loss or in other comprehensive income.

All income and expenses relating to financial assets are recognised in the statement of profit or loss and other comprehensive income.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services to customers but also incorporate other types of contractual monetary assets.

After initial recognition these are measured at amortised cost using the effective interest method, less provision for impairment. Any change in their value is recognised in profit or loss.

The entity's trade and other receivables fall into this category of financial instruments.

Significant receivables are considered for impairment on an individual asset basis when they are past due at the reporting date or when objective evidence is received that a specific counterparty will default.

The amount of the impairment is the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets:

- acquired principally for the purpose of selling in the near future;
- designated by the entity to be carried at fair value through profit or loss upon initial recognition; or
- which are derivatives not qualifying for hedge accounting.

Assets included within this category are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or expenses in profit or loss.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity. Investments are classified as held-to-maturity if the intention of the entity's Board of Directors is to hold them until maturity.

Held-to-maturity investments are subsequently measured at amortised cost using the effective interest method, with revenue recognised on an effective yield basis. In addition, if there is objective evidence that the investment has been impaired, the financial asset is measured at the present value of estimated cash flows. Any changes to the carrying amount of the investment are recognised in profit or loss.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020

Impairment of financial assets

At the end of the reporting period the entity assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Impairment of financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

Impairment on loans and receivables is reduced through the use of allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities depending on the purpose for which the liability was acquired.

The entity's financial liabilities include lease liabilities, trade and other payables, which are measured at amortised cost using the effective interest rate method.

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.

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.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020

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.

Deferred income

The liability for deferred income is the income received on the condition that specified services are delivered or conditions are fulfilled. The services are usually provided, or the conditions usually fulfilled within 12 months of receipt of income. Where the amount received is in respect of services to be provided over a period that exceeds 12 months after the reporting date or the conditions will only be satisfied more than 12 months after the reporting date, the liability is discounted and presented as non-current.

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 impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Useful lives of depreciable assets

The Board of Directors review 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.

Fair value of financial instruments

The entity has certain financial assets and liabilities which are measured at fair value. Where fair value has not been able to be determined based on quoted price, a valuation model has been used. The inputs to these models are observable, where possible, however these techniques involve significant estimates and therefore fair value of the instruments could be affected by changes in these assumptions and inputs.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020

Provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

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.

Impairment

In assessing impairment, the Board of Directors estimate the recoverable amount of each asset or cash-generating units, based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020

	2020	2019
	\$	\$
4. Revenue		
Membership fees	638,164	655,283
Advertising and sponsorship	67,573	84,173
Education activities	372,805	593,090
Sales	3,269	4,089
National congress	483,857	489,575
Trainee management programs	1,547,656	761,137
Program grants	205,287	206,366
	3,318,611	2,793,713
Other income		
JobKeeper	234,000	-
Cash Flow Boost	62,500	-
Dividend income	62	144
Interest income	2,821	6,523
Other income	46,450	16,043
	345,833	22,710
5. Cash and cash equivalents		
Cash at bank	1,848,382	1,413,533
	1,848,382	1,413,533
6. Trade and other receivables		
Current		
Trade receivables	25,704	88,806
Accrued income	90,673	13,134
	116,377	101,940
7. Financial assets		
Current		
Bank deposits	6,875	6,875
	6,875	6,875
Non-current		
Listed shares	1,688	1,688
	1,688	1,688

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020

	2020	2019
	\$	\$
8. Other assets		
Current		
Prepayments	103,585	198,538
	103,585	198,538
9. Property, plant and equipment		
Office equipment at cost	108,298	103,390
Office equipment accumulated depreciation	(91,280)	(78,835)
	17,018	24,555
Office refurbishment at cost	42,122	42,122
Office refurbishment accumulated depreciation	(26,489)	(14,696)
	15,633	27,426
Software at cost	13,550	13,550
Software accumulated depreciation	(12,402)	(8,535)
	1,148	5,015
Right-of-use asset at cost	91,572	-
Right-of-use asset accumulated depreciation	(23,888)	-
	67,684	-
Property, plant and equipment	101,483	56,996

	Office Equipment	Office Refurbishment	Software	Right-of-Use Asset
	\$	\$	\$	\$
Net carrying amount 1 July 2019	24,555	27,426	5,015	-
Additions	4,908	-	-	91,572
Disposals	-	-	-	-
Depreciation	(12,445)	(11,793)	(3,867)	(23,888)
Net carrying amount 30 June 2020	17,018	15,633	1,148	67,684

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020

9. Property, plant and equipment (continued)

	Total
	\$
Net carrying amount 1 July 2019	56,996
Additions	96,480
Disposals	-
Depreciation	(51,993)
Net carrying amount 30 June 2020	101,483

	2020	2019
	\$	\$
10. Intangible assets		
Website at cost	24,837	24,837
Website accumulated depreciation	(18,250)	(13,948)
	6,587	10,889
Accounting system at cost	-	27,742
Accounting system accumulated depreciation	-	(27,742)
	-	-
Total intangible assets	6,587	10,889

11. Trade and other payables

Current

Trade payables	20,739	12,570
Sundry creditors	91,003	75,040
Accrued expenses	292,537	141,794
Net GST payable	59,047	72,969
	463,326	302,373

12. Provisions

Current

Provision for employee benefits	142,775	73,855
HMIP provision	25,575	35,002
	168,350	108,857

Non-current

Provision for employee benefits	27,840	42,233
	27,840	42,233

Australasian College of Health Service Management
Notes to the Financial Statements
For the Financial Year Ended 30 June 2020

	2020	2019
	\$	\$
13. Other liabilities		
Current		
Deferred income	817,337	945,846
Lease liability	22,550	-
	839,887	945,846
Non-current		
Lease liability	49,212	-
	49,212	-

14. Commitments

The entity had no material commitments as at 30 June 2020 (2019: None). With the adoption of AASB16 Leases during the year, a right-of-use asset (Note 9) and corresponding lease liability (Note 12) have been recognised with respect to long-term/high-value leases. Remaining lease expenses during the year relate to short-term/low-value leases.

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.

16. Contingent liabilities

There were no contingent liabilities as at 30 June 2020 (2019: None).

17. Subsequent events

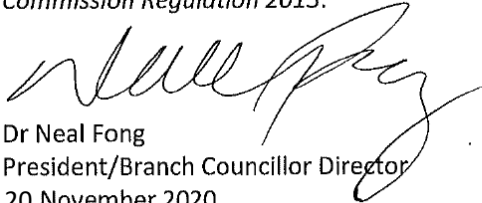
No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of these accounts.

**Australasian College of Health Service Management
Directors' Declaration
For the Financial Year Ended 30 June 2020**

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 2020 and of its performance for the year ended on that date; and
 - ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements 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
20 November 2020
Sydney, New South Wales



Mr Michael Kalimnios
Treasurer/Additional Director
20 November 2020
Sydney, New South Wales



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Australasian College of Health Service Management
Auditor's Independence Declaration to the Directors of Australasian College of Health Service Management
For the Financial Year Ended 30 June 2020

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 2020, 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

A handwritten signature in black ink that reads "Simon Joyce". The signature is written in a cursive, flowing style.

Simon Joyce

Director

20 November 2020

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 2020

Qualified 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 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, 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 2020 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Qualified Opinion

We were appointed as auditor of the entity on 27 October 2020 and were unable to obtain and sufficient and appropriate audit evidence in relation to opening balances for the financial year ended 30 June 2020. Since opening balances enter into the determination of the financial performance, we were unable to determine whether adjustments might have been necessary in respect of the income or expenses for the year reported in the statement of profit or loss and other comprehensive income or cash flows reported in the statement of cash flows. As such, our opinion is qualified with respect to opening balances for the financial year ended 30 June 2020 and the statement of profit or loss and other comprehensive income and statement of cash flows for the financial year ended 30 June 2020.

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.

**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 2020**

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 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.

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.aspx>. This description forms part of our auditor's report.



SDJA



Simon Joyce

Director

20 November 2020

Sydney, New South Wales