



**Australasian Osteopathic Accreditation Council**  
(previously known as Australian and New Zealand Osteopathic Council  
Limited)

**ABN 45 142 289 049**

**Annual Report for the year ended 30 June 2014**

# Corporate Information

<b>Directors</b>	Ms Marion Clark Dr Louise Adam Mr Clive Standen Professor Christine Ewan AM Ms Suzie Linden Dr Ray Myers	Chairperson Deputy Chairperson Treasurer Director Director Director
<b>Company Secretary</b>	Rachel Portelli	Executive Officer
<b>Registered Office</b>	12 – 16 Parker Street Williamstown VIC 3106	
<b>Principal Place of Business</b>	12 – 16 Parker Street Williamstown VIC 3106	
<b>Auditors</b>	Hourigan Partners Audit Pty Ltd Chartered Accountants	

# Chairperson's Report

In February 2014, the Australasian Osteopathic Accreditation Council (AOAC) (formerly known as the Australian and New Zealand Osteopathic Council) celebrated 4 years since incorporation.

In this time significant achievements have been made, one of which is the culmination of several years' work with the introduction of a second pathway for registration of overseas trained osteopaths – the competent authority pathway - introduced from 1 January 2014.

## Board and Committee Composition

Keri Moore retired from the Board in February 2014. In her short time with AOAC, Keri was a valuable contributor and on behalf of the Board I wish Keri all the best for her future endeavours.

The Qualifications and Skills Assessment Committee welcomed Dr Lesley Fitzpatrick as a community representative. Dr Fitzpatrick was most recently the Chief Executive Officer of the Australian Rural Leadership Foundation and we welcome her appointment to the Committee.

The Board has also continued its earlier work on the review of the Constitution to ensure the document continues to reflect current best practice corporate governance guidelines and is representative of the way AOAC does business. Members are expected to sign off the revised constitution in late July 2014.

## Financial Health

AOAC has finished the year well with a surplus of \$17,293. This is primarily attributable to the record number of applicants who undertook the standard assessment pathway during the year. Unfortunately, forecasting suggests that this level of income from qualifications and skills assessment may not be sustained. This surplus will allow us to build a reserve over time to ensure our ongoing viability and to further fund projects consistent with our objects.

## Review of National Registration and Accreditation Scheme

At the time of writing, the review of the National Registration and Accreditation Scheme (NRAS) is underway with Terms of Reference for the review released and an independent reviewer appointed. AOAC will be an active contributor to the review and will work with our osteopathic colleagues in preparation of our submission.

## Stakeholder Engagement

AOAC is an active member of the Health Professions Accreditation Councils' Forum (Forum), the coalition of the Accreditation Councils of the regulated health professions, each being the appointed external accreditation authority for their respective National Board. Together with the Executive Officer, I attended 5 Forum meetings over the year as well as 2 joint meetings with AHPRA, the National Boards and Accreditation Authorities.

# Chairperson's Report continued

## Stakeholder Engagement (continued)

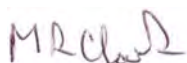
AOAC and the Osteopathy Board of Australia (OBA) also hold regular meetings between the Chairs and Executive Officers that allow an informal platform to discuss matters of mutual interest. Meetings with the General Osteopathic Council and Osteopathy Australia have also started on a semi-regular basis to further allow exchange of information.

The Health Regulatory Authorities of New Zealand (HRANZ) inaugural conference in Wellington in late May 2014 provided an opportunity to meet with colleagues from the OBA, the Osteopathic Council of New Zealand (OCNZ), Osteopathy New Zealand and the Osteopathic Council of New South Wales.

Our Executive Officer, Rachel Portelli, presented on Australian and New Zealand Education Accreditation at the Osteopathic International Alliance (OIA) Annual Conference in Austin, Texas in January 2014. Rachel subsequently accepted an invitation from the OIA to be a co-convenor of the regulation and accreditation pillar for the Annual Conference to be held in the United Kingdom in October 2014. This involvement with the OIA brings with it many benefits, not least the ability to network with our international colleagues on a regular basis.

AOAC works in partnership with the OBA and AHPRA in ensuring that the regulatory objectives to ensure public safety are met. We value the good relationship and support we have had with our colleagues in osteopathic regulation over the past year.

AOAC's achievements would not be possible without the hard work and dedication of the Board, its Committees and secretariat staff who work tirelessly to ensure that AOAC continues to meet its obligations as an accreditation authority. Under a new name – the Australasian Osteopathic Accreditation Council Limited – and under a new constitution, we will embrace the changes ahead.



**MARION CLARK**  
Chairperson

# Accreditation Committee Report

## Committee members

Mr Clive Standen (Chairperson)	Private Practitioner (New Zealand)
Dr Angie Bruce	Private Practitioner (Victoria)
Ms Suzanne Evans	Community Representative (Victoria)
Professor Christine Ewan AM	Community Representative (New South Wales)
Dr Suzanne McCleary	Private Practitioner (New South Wales)

## Accreditation Standards

AOAC is responsible for accrediting education providers and programs of study for the osteopathy profession. Accreditation standards are used to assess whether a program of study, and the education provider that provides the program of study, provide persons who complete the program with the knowledge, skills and professional attributes to practice the profession.

The AOAC *Standards for the Accreditation of Osteopathic Courses in Australia* transitioned on 1 July 2010 under section 253(3) of the Health Practitioner Regulation National Law Act (National Law) as in force in each state and territory as an approved accreditation standard for the purpose of general registration. AOAC has subsequently made minor amendments to the standards, including separating the procedures for accreditation from the accreditation standards document.

## Review of Entry-Level Accreditation Standards

In 2013-2014 we commenced a review of the *Standards for the Accreditation of Osteopathic Courses in Australia* under the project leadership of the Chair of the AOAC Accreditation Committee. Initial stakeholder consultation commenced in early May 2014 and a final set of revised accreditation standards will be issued in early 2015.

## Accredited Programs of Study

Under the National Law, AOAC may grant accreditation if it is reasonably satisfied that a program of study and the education provider that provides it meet an approved accreditation standard. It may also grant accreditation if it is reasonably satisfied that the provider and the program of study substantially meet an approved accreditation standard, and the imposition of conditions on the approval will ensure that the program meets the standard within a reasonable time. AOAC reports its decision to the Osteopathy Board of Australia to enable the Board to make a decision on the approval of the program of study for registration purposes.

Under the direction of the AOAC Board of Directors, the Accreditation Committee is responsible for the management of the AOAC assessment of osteopathy programs of study in Australia. No accreditation assessments were undertaken during the year.

## Monitoring of Accredited Programs of Study

Between formal accreditations, AOAC monitors progress in accredited osteopathy programs of study through annual progress reports that programs are required to provide and by monitoring any conditions that have been placed on accreditation.

## Accreditation Committee Report continued

These reports inform AOAC of any emerging issues that may affect the program's ability to deliver its osteopathy curriculum and respond to issues raised in AOAC accreditation reports. In the last year, AOAC received and considered annual monitoring reports from:

- RMIT University
- Southern Cross University
- Victoria University

A handwritten signature in purple ink, appearing to read 'Clive Standen', is positioned below the list of universities.

**MR CLIVE STANDEN**  
Chairperson, Accreditation Committee

# Qualifications and Skills Assessment Committee Report

## Committee members

Dr Louise Adam (Chairperson)	Private Practitioner (New South Wales)
Dr Lesley Fitzpatrick	Community Representative (ACT)
Dr Gopi Macleod	Southern Cross University (New South Wales)
Dr Christophe Pallies	Private Practitioner (New Zealand)
Dr Heath Williams	Private Practitioner (Victoria)

## Assessment of overseas trained osteopaths

AOAC, as the gazetted assessing authority for the Department of Immigration and Border Protection (DIBP), assesses internationally qualified osteopaths who apply for permanent migration under Australia's General Skilled Migration (GSM) and Employer Nomination Scheme (ENS) programs.

Accreditation functions under The National Law include the assessment of overseas-qualified health practitioners seeking registration. As the appointed accreditation authority in Australia for osteopathy, AOAC assesses the qualifications and skills of osteopaths applying for registration in Australia.

From 1 January 2014, under the Osteopathy Board of Australia's *Framework: Pathways for Registration of Overseas Trained Osteopaths*, osteopaths who have certain qualifications recognised by the General Osteopathic Council (GOsC) in the United Kingdom now have two pathways to registration in Australia – the competent authority pathway or the standard pathway. Osteopaths with qualifications not specified in the Framework, will continue to be assessed through the standard pathway for eligibility for general registration.

On completion of the requirements for the relevant pathway, the overseas-qualified osteopath may apply for general registration in Australia. Registration is subject to satisfying the requirements for general registration in the National Law, including the Osteopathy Board's five registration standards.

During 2013-2014, AOAC received 22 applications from osteopaths seeking migration and/or registration to Australia, As in previous years the majority of applications for the standard assessment pathway (70%) were received from graduates of programs of United Kingdom education providers.

	30 June 2014
Competent Authority Pathway	12
Standard Assessment Pathway *	10
<b>TOTAL</b>	<b>22</b>

**Table 1: Summary of assessment undertaken during 2013-2014**

\* This includes applicants at various stages of the 4-step assessment (at 30 June 2014, 1 had completed stage 1, 2 stage 2 and 7 had completed stages 3 and 4).

# Qualifications and Skills Assessment Committee Report continued

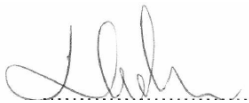
## **Development of the assessment tools for the competent authority pathway**

During the year, AOAC developed its open-book assessment process for the competent authority pathway and contracted Victoria University to develop and test a question bank that will test the equivalency of the candidates. The success of the implementation of the new processes and the transition was gratifying and is a testament to the work put in to it.

A planned evaluation of the new pathway in the next year will enable identification of any further improvements.

## **Future projects**

QSAC is considering a number of future projects that will allow AOAC to continuously improve the appropriate assessment of internationally qualified osteopaths for migration to Australia. This includes electronic lodgement of applications, publication of examination trends for both applicants undertaking the standard assessment pathway and review of the written examination question bank.



**DR LOUISE ADAM (OSTEOPATH)**  
**Chairperson, Qualifications and Skills Assessment Committee**



# Quality Framework Reporting

AOAC reports to the OBA and AHPRA against a *Quality Framework for the Accreditation Function* (Quality Framework) that was developed by AHPRA, the National Boards and the health professions accreditation councils. The Quality Framework has eight domains. AOAC meets these domains in the following ways.

## **Governance**

AOAC has a robust governance structure with well-defined governance policies and processes in place that ensure that AOAC meets its legislative and statutory obligations.

## **Independence**

There are clear procedures in place for ensuring the independence of AOAC's activities, including clear procedures for identifying and managing conflicts of interest. No complaints or appeals were received in the year.

## **Operational management**

AOAC has mechanisms in place to ensure operational efficiency and effectiveness. Key performance indicators are used to assess AOAC's performance against its strategic priorities. There are robust systems for ensuring confidentiality and managing information.

## **Accreditation standards**

AOAC currently accredits three programs against a range of standards for the accreditation of osteopathy programs of study that AOAC is responsible for developing, maintaining and applying. The accreditation standards meet relevant Australian and international benchmarks, are based on available research and evidence and are developed with extensive stakeholder consultation. The accreditation standards are currently being reviewed in accord with the *AHPRA Procedures for development of accreditation standards* under the National Law.

AOAC is fully embracing and participating in working with other accreditation authorities through the Forum to increase the consistency and alignment between accreditation standards and processes. The targets are ambitious but these joint projects are important steps as we continue to strive for quality improvements in our accreditation functions. It is anticipated that these developments will increase the efficiency of accreditation and reduce the compliance costs for educators. The early focus has been to identify commonalities between standards, focusing on inter-professional learning and collaboration.

## **Processes for accreditation of education providers and programs of study**

AOAC has clearly defined procedures to ensure consistency, transparency and equity in undertaking accreditation decisions. These ensure selection and training of suitable reviewers, fair and robust accreditation decisions and engagement of education providers in the ongoing quality improvement of osteopathy programs of study.

# Quality Framework Reporting continued

## ***Assessing authorities in other countries***

AOAC has completed a project to assess the examining and accrediting authority (GOsC) in the United Kingdom for equivalency consistent with the National Law. This work informed the introduction of a competent authority pathway from 1 January 2014 in addition to the current standard assessment pathway.

## ***Assessing overseas qualified practitioners***

Using agreed standards, processes and guidelines, AOAC assesses applicants using established and recognised tools such as the Country Education Profiles Online tool and an overall primary assessment of qualifications, registration and work experience.

Further assessment involves a written and practical examination as well as completion of a portfolio exercise. All applicants undertake an open book examination on practising osteopathy in Australia.

## ***Stakeholder collaboration***

AOAC has a number of mechanisms in place codified in Stakeholder Consultation Guidelines to build stakeholder support and collaboration both within Australia and internationally.

# Directors' Report

The directors of the Australasian Osteopathic Accreditation Council (AOAC or the company) submit herewith the financial report of the company for the year ended 30 June 2014. In order to comply with section 300B of the *Corporations Act 2001*, the directors' report as follows:

## Principal Activities, Objectives and Measures of Performance

### Principal Activities

AOAC was formed in 2010. Under the National Registration and Accreditation Scheme (NRAS), AOAC is designated the independent accreditation agency for osteopathy in Australia until June 2018. The objects of AOAC as outlined in the Constitution are to:

- a) Develop accreditation standards for osteopathic programs of study for approval by the Osteopathy Board of Australia
- b) Assess programs of study and the education providers that provide the programs of study, to determine whether the programs meet approved accreditation standards
- c) Assess authorities in other countries who conduct examinations for osteopathy registration, or accredit programs of study relevant to registration as an osteopath, to decide whether persons who successfully complete the examinations or programs of study conducted or accredited by the authorities have the knowledge, clinical skills and attributes necessary to practise osteopathy in Australia
- d) Oversee the assessment of the knowledge, clinical skills and professional attributes of overseas qualified health practitioners who are seeking registration as an osteopath in Australia and whose qualifications are not approved osteopathy qualifications
- e) Advise and make recommendations in relation to:
- f) Matters concerning accreditation or accreditation standards for osteopathic programs of study
- g) Matters concerning the regulation, including general and specialist registration of osteopaths
- h) Matters concerning the assessment of overseas qualified osteopaths and
- i) Matters concerning the recognition and assessment of overseas qualifications of osteopaths
- j) Create a policy framework that helps ensure that 'equivalency', as encompassed in the Trans-Tasman Mutual Recognition Agreement (TTMRA) established under the *Trans Tasman Mutual Recognition Act 1997 (Cth)* and the *Trans Tasman Mutual Recognition Act (1997) (New Zealand)*, is maintained
- k) Cooperate with state, national and international associations, authorities and organisations in a manner consistent with the attainment of these purposes.

### Objectives

AOAC's short-term objectives are to:

- ensure continued alignment of its accreditation and assessment functions with the Osteopathy Board of Australia (OBA) and the Australian Health Practitioner Regulation Agency (AHPRA);
- maintain a stable governance structure with access to efficient support services; and
- fulfil the requirements of the Agreement for the Accreditation Function with the Osteopathy Board of Australia and AHPRA.

# Directors' Report continued

AOAC's long-term objectives are to:

- consolidate and maintain its position as a leader in osteopathy accreditation and assessment standards;
- advocate for quality and safety in osteopathy education;
- support and encourage the exchange of expertise and information relating to osteopathy accreditation and assessment both nationally and internationally; and
- remain adaptable and responsive to legislative and regulatory changes to osteopathy accreditation and assessment.

## **Strategies for achieving the objectives**

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

- ongoing review of governance and operational processes to ensure these continue to reflect current best practice;
- secured administrative and executive services until 30 June 2018;
- developed and implemented a comprehensive appointment policy to attract quality applications to vacancies on the Board of Directors and its Committee; and
- formalised links with relevant accreditation and assessment bodies nationally and internationally and is an active participant in the advancement of accreditation and assessment processes.

## **Key performance indicators**

As part of the agreement with AOAC's funding body, AHPRA, AOAC is required to report against a quality framework on a six-monthly basis. The Board of Directors consider the key performance indicators in this report as a basis of their ongoing assessment of successful achievement of the company's goals and objectives.

# Directors' Report continued

## Directors

The names and details of the company's directors in office during the financial year and until the date of this report are as follows. Directors were in office for the entire year unless otherwise stated.

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Ms Marion Clark (Chairperson)	Marion has extensive health sector experience, in New Zealand and Australia with a long career encompassing clinical (nursing), hospital management, public policy development and management and international development roles. She brings to the Board an extensive background in health professional regulation, with over ten years' experience as Chief Executive and Registrar of the Nursing Council of New Zealand, experience in accreditation of health professional programs and in depth knowledge of the <i>Health Practitioner Regulation National Law 2009</i> (the National Law).
	Date of appointment: 13 December 2010
Dr Louise Adam (Deputy Chairperson)	Louise has over 30 years experience as an osteopath in private practice. She is a past President of the Australian Osteopathic Association and a former member of the NSW Osteopaths Registration Board. Louise has taught clinical practice at the University of Western Sydney where she held the position of head of the osteopathy program.
(Chair, Qualifications and Skills Assessment Committee)	Date of appointment: 22 September 2011
Mr Clive Standen (Treasurer from 22 April 2013)	Clive graduated from the British School of Osteopathy (BSO) (London) and later completed an MA in Philosophy and Healthcare at the University of Wales. He was Principal and Chief Executive of the BSO from 1990 to 1998 and Associate Professor and Head of School for Osteopathy at Unitec in New Zealand for over 10 years. Clive has lectured and examined in many different countries also developing educational osteopathy programs.
(Chair, Accreditation Committee)	Date of appointment: 26 February 2010
Professor Christine Ewan AM	Christine is an Emeritus Professor of the University of Wollongong and has been a Deputy Vice Chancellor Academic, Pro Vice Chancellor Academic and Dean. She was awarded a Member of the Order of Australia for contributions in these areas in the Illawara. She has authored numerous books and articles on higher education, especially in the health professions.
	Date of appointment: 26 February 2010
Ms Suzie Linden	Suzie has practised in the field of health law and bioethics for most of her professional career, dealing with complex health law, medico-legal, regulatory and ethical issues. Suzie was the founder and continues to be the editor of the Australian Health Law Bulletin, which she established in 1992. She has been a member of numerous Federal and State Government advisory bodies, and currently sits as a member of the Victorian Government Human Research Ethics Committee. Suzie also teaches Clinical Ethics and Law in the Faculty of Medicine at Monash University.
	Date of appointment: 26 February 2010

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## Directors' Report continued

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Dr Keri Moore PhD

Keri holds a Diploma of Osteopathy, Graduate Certificate in Teaching and Learning in Higher Education, Master of Clinical Education and Doctor of Philosophy. Keri's international career to date has involved working in Australia, England and Ireland. She experienced 27 years as a registered osteopath in private practice with a concurrent 15 years in higher education. Her teaching and research activities have been related to the education of entry level health practitioners in a number of disciplines including osteopathy, physiotherapy, nursing and medicine. Keri is a member of the National Executive of the Australian Collaborative Education Network (ACEN).

Date of appointment: 18 February 2013

Date of resignation: 25 February 2014

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Dr Ray Myers

Ray is the osteopathic discipline lead at RMIT University in Melbourne. In this role he is responsible for the coordination and program quality assurance of the osteopathic program of study. Qualifying with a Bachelor of Applied Science in Osteopathy in 1995 and a Master of Osteopathic Science in 1998, Ray's two main research interests include the examination of processes of determining outcomes for osteopathy where standard clinical trial methodology is not appropriate and investigating the phenomena and therapeutic processes associated with osteopathy in the cranial field.

Date of appointment: 26 February 2010

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# Directors' Report continued

## Director's Meetings

Director	Board		Executive <sup>^</sup>		Accreditation		QSAC	
	A	B	A	B	A	B	A	B
M Clark	6	6	6	6	*	*	*	*
L Adam	5	6	6	6	*	*	2	2
C Standen	5	6	6	6	3	3	*	*
C Ewan	4	6	*	*	3	3	*	*
S Linden	5	6	*	*	*	*	*	*
K Moore	5	5	*	*	*	*	0	1
R Myers	5	6	*	*	*	*	*	*

\* Director is not a member of this Committee

<sup>^</sup> Comprises Chairperson, Deputy Chairperson and Treasurer

A Number of meetings attended

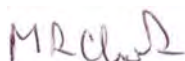
B Number of meetings held during the time the director was in office for the year ending 30 June 2014

QSAC Qualifications and Skills Assessment Committee

## Proceedings on Behalf of the Company

The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any obligations of the company. At 30 June 2014 the number of members was 4 (2013: 5 members).

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



**MARION CLARK**

Chairperson

8 October 2014

# Hourigan Partners

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## Auditor's Independence Declaration

**To the directors of Australasian Osteopathic Accreditation Council Limited  
(previously known as Australian and New Zealand Osteopathic Council Limited)**

In accordance with section 307C of the Corporations Act 2001, as lead audit partner for the audit of Australasian Osteopathic Accreditation Council Limited for the financial year ended 30 June 2014, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

  
Simon Hourigan  
Director

  
Hourigan Partners Audit Pty Ltd  
ACN 149 707 960

Melbourne  
Dated this 8<sup>th</sup> day of October 2014

Liability limited by a scheme approved under Professional Standards Legislation



## Statement of Comprehensive Income for the year ended 30 June 2014

	Note	Year Ended 30 June 2014	Year Ended 30 June 2013
Revenue	3	254,788	247,580
Other income	4	2,484	10,442
<b>Revenue and other income</b>		<b>257,272</b>	<b>258,022</b>
Administration expenses		110,866	115,251
Board and sub-committee expenses		40,745	50,361
Stakeholder engagement		26,697	9,465
Overseas assessments		31,580	21,776
Accreditation costs		1,320	4,037
Project expenses		41,309	8,921
<b>Expenditure</b>		<b>252,517</b>	<b>209,811</b>
<b>Surplus before income tax</b>		<b>4,755</b>	<b>48,211</b>
Income tax (benefit)/expense	5	(12,538)	14,618
<b>Net surplus for the year</b>		<b>17,293</b>	<b>33,593</b>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<b>17,293</b>	<b>33,593</b>

*The accompanying notes form part of these financial statements*

## Statement of Financial Position at 30 June 2014

	Note	2014	2013
		\$	\$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	76,108	76,126
Trade and other receivables	7	5,074	532
Other current assets	8	13,541	4,732
Total Current Assets		94,723	81,390
<b>Total Assets</b>		94,723	81,390
 <b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	9	24,725	28,685
Total Current Liabilities		24,725	28,685
<b>Total Liabilities</b>		24,725	28,685
 <b>Net Assets</b>		69,998	52,705
Accumulated surplus		69,998	52,705
<b>Total Equity</b>		69,998	52,705

*The accompanying notes form part of these financial statements*

## Statement of Changes in Equity for the year ended 30 June 2014

	Accumulated Surplus \$
Balance at 30 June 2012	19,112
Net deficit for the financial year	33,593
Other comprehensive income for the year	-
<b>Balance at 30 June 2013</b>	<u>52,705</u>
Balance at 30 June 2013	52,705
Net surplus for the financial year	17,293
Other comprehensive income for the year	-
<b>Balance at 30 June 2014</b>	<u>69,998</u>

*The accompanying notes form part of these financial statements*

## Statement of Cash Flows for the year ended 30 June 2014

	Note	2014 \$	2013 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from funding bodies		164,877	182,215
Receipts from accreditation and assessments		104,900	81,930
Payments to suppliers and employees		(270,199)	(227,695)
Interest received		2,484	2,470
Tax amounts paid		(2,080)	(745)
<b>Net cash generated by operating activities</b>		<b>(18)</b>	<b>38,175</b>
<b>Cash Flows from Investing Activities</b>			
<b>Net cash used in investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash Flows from Financing Activities</b>			
<b>Net cash used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>(18)</b>	<b>38,175</b>
<b>Cash and Cash Equivalents at the Beginning of the Financial Year</b>		<b>76,126</b>	<b>37,951</b>
<b>Cash and Cash Equivalents at the End of the Financial Year</b>	6(a)	<b>76,108</b>	<b>76,126</b>

*The accompanying notes form part of these financial statements*

# Notes to the Financial Statements

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## Notes to the Financial Statements

### Note 1: Corporate Information

The financial statements are for the Australasian Osteopathic Accreditation Council (AOAC or the company) as an individual company, incorporated and domiciled in Australia. AOAC is a company limited by guarantee. The financial report was authorised for issue on 8 October 2014.

### Note 2: Summary of Significant Accounting Policies

#### Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group interpretations.

The company complies with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board.

The adoption of these Standards has resulted in significantly reduced disclosures in respect of related parties and financial instruments. There was no other impact on the current or prior year financial statements.

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

#### (a) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

##### Interest Revenue

Revenue is recognised as interest accrues.

#### (b) Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## Notes to the Financial Statements

### Note 2: Summary of Significant Accounting Policies cont.

#### Accounting Policies

**(f) Income tax**

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

**(g) 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. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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

**(h) Comparative figures**

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

## Notes to the Financial Statements

<b>Note 3: Revenue</b>	<b>30 June 2014</b>	<b>30 June 2013</b>
	\$	\$
Funding income AHPRA	149,888	165,650
Accreditation fees	6,000	10,080
Overseas assessment fees	62,900	53,450
Project payments	36,000	18,400
<b>Total Revenue</b>	<u>254,788</u>	<u>247,580</u>

### Note 4: Other Income

Interest income	2,484	2,470
Writeback of prior period GST balances	-	7,972
<b>Total Other Income</b>	<u>2,484</u>	<u>10,442</u>

### Note 5: Income Tax Expense

Income tax expense		
-Current year	-	14,618
- Prior year overprovision	(12,538)	-
	<u>(12,538)</u>	<u>14,618</u>

### Note 6: Cash and Cash Equivalents

Cash at bank	76,108	76,126
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#### (a) Reconciliation of cash

The above figures are reconciled to cash at the end of the financial period as shown in the statement of cash flows as follows:

Balance per Statement of Cash Flows	76,108	76,126
-------------------------------------	--------	--------

#### (b) Reconciliation of cash flow from operations with surplus for the reporting period

Surplus for the year	17,293	33,593
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#### *Non cash flows*

Writeback of prior period GST balances	-	(7,972)
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#### Movement in working capital

(Increase)/Decrease in receivables	(4,542)	34
(Increase)/Decrease in other current assets	(8,809)	296
(Increase)/Decrease in trade and other payables	(3,960)	12,224

<b>Net cash (from)/used in operating activities</b>	<u>(18)</u>	<u>38,175</u>
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## Notes to the Financial Statements (continued)

<b>Note 7: Trade and Other Receivables</b>	<b>30 June 2014</b>	<b>30 June 2013</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	5,074	-
Other receivables	-	532
Total trade and other receivables	<u>5,074</u>	<u>532</u>

### Doubtful debts

The company has assessed the recoverability of amounts receivable and on the basis that no amounts are past due or are considered impaired; a doubtful debts provision is not required. Further there is no material credit risk exposure to any single receivable or group of receivables.

## **Note 8: Other Current Assets**

Prepaid insurance	4,502	4,390
Other prepaid expenses	9,039	342
Total other current assets	<u>13,541</u>	<u>4,732</u>

## **Note 9: Trade and Other Payables**

### **Current**

Trade creditors	18,860	4,850
Goods and services tax payable	865	4,217
Audit fees payable	5,000	5,000
Income tax payable	-	14,618
Total trade and other payables	<u>24,725</u>	<u>28,685</u>

## **Note 10: Economic Dependency**

AOAC is dependent on the Australian Health Practitioner Regulation Agency (AHPRA) for the majority of its revenue used to operate the business. AHPRA has agreed to fund the operations of AOAC to 30 June 2018.

## Notes to the Financial Statements (continued)

### Note 11 Key Management Personnel Compensation

The Directors of the company and the Executive Officer are considered to be key management personnel of the company.

#### Compensation

Compensation paid to key management personnel includes sitting fees paid to Directors for attendance at Board meetings and involvement with accreditation and assessment activities and consulting service fees paid to Directors for work on specific projects.

The amounts disclosed for each Director do not include the reimbursement of expenses paid to Directors as incurred. The reimbursement of expenses is not considered to be compensation.

The aggregate compensation made to directors of the company is set out below:

	<u>30 June 2014</u>	<u>30 June 2013</u>
	\$	\$
Director compensation	33,055	39,894
Executive officer*	-	-
	<u>-</u>	<u>-</u>

\* The Executive Officer, Ms Rachel Portelli is employed by Intensive Group Pty Ltd. AOAC and Intensive Group Pty Ltd are considered to be related parties. Related party transactions are set out in note 12.

### Note 12: Related Parties and Related-Party Transactions

#### (a) Key Management Personnel Compensation

Disclosures relating to key management personnel compensation are set out in note 11.

#### (b) Transactions with Related Parties

Ms Rachel Portelli, the Executive Officer of AOAC is a Director and jointly controls Intensive Group Pty Ltd. Intensive Group Pty Ltd is considered to be "related" to AOAC. AOAC has entered contracts with Intensive Group Pty Ltd for the provision of executive services including the provision of an executive officer and company secretary, administrative services and office premises. These contracts and the payments made under these contracts are considered related party transactions. The current contract was entered into on 1 June 2013 for a period of 5 years.

	30 June 2014	30 June 2013
	\$	\$
Fees paid	<u>80,640</u>	<u>80,640</u>

## Notes to the Financial Statements (continued)

### Note 12: Related Parties and Related-Party Transactions cont.

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

#### Receivable and payable to related parties

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

#### Loans to/from related parties

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

#### (c) Transactions with Members of the Company

All transactions with related parties were carried out on an “arms length” basis. Members that serve in the capacity of director were paid sitting fees as indicated below. Payments made to members of the company, which are also included in Note 11 above, during the year are as follows:

	<u>30 June 2014</u>	<u>30 June 2013</u>
	<u>\$</u>	<u>\$</u>
Judith Dikstein	-	-
Marion Clark	13,398	14,256
Christine Ewan	767	9,789
Jane Louise Adam	9,264	4,815
Suzie Linden	<u>1,434</u>	<u>1,396</u>

#### (d) Transactions with director-related entities

No director or executive has entered into a material contract with the company (other than the provision of sitting fees and with the exception of transactions noted in 12(c) above) since the end of the previous financial year and there were no material contracts involving directors' interests in existence at year-end.

## Notes to the Financial Statements (continued)

### Note 13: Commitments

The company has no material commitments as at 30 June 2014 (30 June 2013: Nil).

### Note 14: Contingent Liabilities

The directors are not aware of any material contingent liabilities as at 30 June 2014 (2013: Nil).

### Note 15: Events after the Reporting Period

No matters or circumstances have arisen since the end of the financial reporting year to the date of this report that have or may significantly affect the activities of the company, the results of those activities or the state of affairs of the company in the ensuing or any financial year.

### Note 16: Members' Guarantee

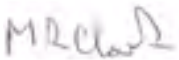
The company is incorporated under the *Corporations Act 2001* and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the company. At 30 June 2014 the number of members was 4 (2013: 5 members).

## Directors' Declaration

The directors of the company declare that in their opinion:

- (a) The attached financial statements and notes thereto comply with accounting standards
- (b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the company
- (c) The attached financial statements and notes are in accordance with the *Corporations Act 2001* and the Corporations Regulations 2001
- (d) There are reasonable grounds to believe the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s295 (5) of the *Corporations Act 2001*.



**MARION CLARK**  
Chairperson  
8 October 2014

## Independent Auditor's Report

To the members of Australasian Osteopathic Accreditation Council Limited ACN 142 289 049  
(previously known as Australian and New Zealand Osteopathic Council Limited)

### Report on the financial report

We have audited the accompanying financial report of Australasian Osteopathic Accreditation Council Limited, which comprises the statement of financial position as at 30 June 2014, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and the directors' declaration.

### Directors' responsibility for the financial report

The directors of Australasian Osteopathic Accreditation Council Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and Corporations Act 2001 and for such internal controls as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

### Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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.

### Opinion

In our opinion, the financial report of Australasian Osteopathic Accreditation Council Limited is in accordance with the Corporations Act 2001, including;

- (a) giving a true and fair view of the company's financial position as at 30 June 2014 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the Corporations Regulations 2001.

  
Simon Hourigan  
Director

  
Hourigan Partners Audit Pty Ltd  
ACN 149 707 960

Dated this 8<sup>th</sup> day of October 2014  
Melbourne

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