

**Australian and New Zealand Osteopathic Council Limited**

ABN 45 142 289 049

**Annual report for the year ended 30 June 2012**

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## Corporate Information

<b>Directors</b>	Ms Marion Clark	Chairperson
	Dr Louise Adam	Deputy Chairperson
	Dr Ray Myers	Treasurer
	Dr Kate Blackmore	
	Professor Christine Ewan AM	
	Ms Suzie Linden	
	Dr Michael Mulholland-Licht	
	Associate Professor Clive Standen	
<b>Company Secretary</b>	Rachel Portelli	
<b>Registered Office</b>	18 Drummond Street Carlton VIC 3053	
<b>Principal Place of Business</b>	Level 31, 120 Collins Street Melbourne VIC 3000	
<b>Auditors</b>	Hourigan Partners Audit Pty Ltd Chartered Accountants	

## Directors' Report

The directors of Australian and New Zealand Osteopathic Council Limited (ANZOC or the company) submit herewith the financial report of the company for the year ended 30 June 2012. In order to comply with the provisions of the *Corporations Act 2001*, the directors' report as follows:

### 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.

Ms Marion Clark  
(Chairperson from 1  
January 2012)  
(Treasurer until 31  
December 2011)

Marion has followed a career in nursing, hospital management and national public policy advisory and management with over ten years as Chief Executive and Registrar of the Nursing Council of New Zealand. She brings to the Board an extensive background in health professional regulation including experience in accreditation of health professional (nursing) programs and an in depth knowledge of the Health Practitioner Regulation National Law 2009 (the National Law) gained developing policy to shape the current legislation.

Date of appointment: 13 December 2010

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Dr Louise Adam  
(Deputy Chairperson  
from 14 October 2011)

Louise has over 30 years experience as an osteopath in private practice. Louise 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.

Date of appointment: 22 September 2011

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Dr Ray Myers  
(Treasurer from 1  
January 2012)

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 academic offerings of the University. 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 cont.

Dr Kate Blackmore

Kate is a practising osteopath and osteopathic educator. Since 2001, she has practiced in rural, regional and inner city locations as well as teaching for the osteopathic departments at three universities. Kate is currently employed as a lecturer in osteopathy at Victoria University and works in private practice in country Victoria. Kate is a member of the Australian Osteopathic Association and has a particular interest in clinical education.

Date of appointment: 26 February 2010

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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. In these roles she was responsible for strategic planning, faculty performance, academic quality assurance, and teaching and learning support and infrastructure. She was awarded a Member of the Order of Australia for contributions in this area in the Illawarra.

Christine has also worked as General Manager of Planning and Innovation in the NSW Department of Education, where she was responsible for strategic planning, research, evaluation and performance measurement and reporting. She has authored numerous books and articles on higher education, especially in the health professions. She has also served on numerous national committees including the National Health & Medical Research Council, the Australian Osteopathic Council, the Australian Environmental Health Council and the Australian Universities Teaching Committee.

Date of appointment: 26 February 2010

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## Directors' Report cont.

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, including consent and informed decision-making, end of life decision-making, mental health, privacy and confidentiality, infection control, the regulation of human research and conduct of clinical trials, risk management, legal compliance and governance obligations.

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 Human Research Ethics Committee of the Department of Health (Vic).

Suzie also teaches Clinical Ethics and Law, in the Faculty of Medicine, Monash University.

Date of appointment: 26 February 2010

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Dr Michael Mullholland-Licht  
(Chairperson until 31 December 2011)

Michael Mullholland-Licht is a practising osteopath, an experienced educator and public speaker. In private practice in Sydney since 1986, Michael is a Past President of the Australian Osteopathic Association (AOA) and the World Osteopathic Health Organisation (WOHO).

He was the inaugural Chairperson of the Australian and New Zealand Osteopathic Council (ANZOC) and also sits on the Board of Directors of the Osteopathic International Alliance (OIA). He lectures and examines in Osteopathic Manipulative Techniques (OMT) in Australia, Europe and South America and is pursuing postgraduate studies in Pain Management.

Date of appointment: 26 February 2010

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## Directors' Report cont.

Associate Professor  
Clive Standen

Associate Professor Clive Standen graduated from the British School of Osteopathy (BSO) (London) in 1978 and completed an MA in Philosophy and Healthcare at the University of Wales in 1993. He was Principal and Chief Executive of the BSO from 1990 to 1998. Clive has lectured and examined in many different countries, including France, Italy, Canada, Russia, Sweden and Norway, developing educational osteopathy programs in several of those countries. In 1999 he was the first complementary health practitioner to be appointed to the position of Non-Executive Director on the Board of a National Health Service Hospital Trust. Since 2001 he has been Associate Professor and Associate Head of School for Osteopathy at Unitec in Auckland, New Zealand. He was responsible for the development and implementation of the Master of Osteopathy degree that comprises the second element of Unitec's five-year osteopathic education program.

Date of appointment: 26 February 2010

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Dr Stiofan Mac Suibne  
(Deputy Chairperson  
until 13 October 2011)

Stiofán is currently the Deputy Chair of the Osteopathic Council of New Zealand. He worked in private practice in Christchurch from 2005 to 2010 and is currently taking a break from full-time practice to pursue further studies. He is particularly interested in developing the scope of practice and developing post-graduate pathways for osteopaths.

Stiofán has a degree in Molecular Biology (Univ. London) and worked as a research scientist before undertaking audit training and working as a financial manager in social and healthcare organisations. He completed his osteopathic training in 2001, B.Sc. (Hons) Osteopathy at the London School of Osteopathy and taught for several years at both the British and London schools of osteopathy. He has several postgraduate qualifications; Post Graduate Certificate in Education (Univ. Greenwich), Certificate in Health Promotion (Open University) and Acupuncture in Western Medical Practice (British Medical Acupuncture Society / Univ. Hertfordshire). He is currently studying for a Master's in Health Science through the Auckland University of Technology.

Date of appointment: 26 February 2010

Date of resignation: 31 March 2012

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## Directors' Report cont.

### Principal Activities, Objectives and Measures of Performance

#### Principal Activities

The principal activities of ANZOC are the accreditation of osteopathy programs leading to the eligibility of graduates for registration as osteopaths in Australia and New Zealand and the assessment of the suitability of overseas-trained osteopaths to practise in Australia and New Zealand. The aims of ANZOC as outlined in the Constitution are to:

- Create a policy framework that helps ensure that 'equivalency', as encompassed in the Trans-Tasman Mutual Recognition Agreement, is maintained.
- Assess, for the purpose of granting accreditation to programs, the eligibility of people for registration as osteopaths in Australia and New Zealand.
- Advise and make recommendations to the osteopathic regulatory authorities (or successor body(s)) relating to the accredited status to be granted to an osteopathic program.
- Advise and make recommendations to the osteopathic regulatory authorities (or successor body(s)) and other relevant interest groups on matters concerning the registration of osteopaths.
- Develop, review and maintain accreditation standards and processes to assess osteopathic programs.
- Assess the suitability of overseas-trained osteopaths to practise in Australia and New Zealand.
- Provide information and advice to government bodies concerning the adequacy of a person's skills in the field of osteopathy for the purposes of migration to Australia and New Zealand.
- Provide information and advice to government bodies relating to law and policy concerning the registration of osteopaths in Australia and New Zealand.
- Establish and maintain relationships with bodies or organisations having objects and functions in whole or in part similar to the objects and functions of ANZOC.

#### Objectives

ANZOC's short-term objective is to maintain a stable governance structure supported by documented policies and procedures for accreditation and assessment of overseas qualified osteopaths accessible on a user-friendly website.

ANZOC's long-term objective is to be recognised internationally as having a best practice model for the assessment of overseas-qualified osteopaths evidenced by the number of these osteopaths successfully migrating to Australia.

#### Strategy for achieving the objectives

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

- Initiated discussions with the osteopathic professional associations in both Australia and New Zealand in an attempt to secure their agreement to apply for membership of the company;
- Submitted a proposal to remain as the accreditation authority for the Osteopathy Board of Australia from 1 July 2013 for a period of five (5) years;
- Submitted its first report to the Osteopathy Board of Australia demonstrating compliance with the requirements of the *Quality Framework for the Accreditation Function*;
- Formalised a stakeholder engagement plan to ensure that all key stakeholders are identified strategies for communication formalised; and
- Initiated discussions with the Osteopathy Board of Australia to facilitate the introduction of a competent authority pathway for osteopaths holding recognised qualifications.



## **Directors' Report cont.**

### **Results of Operations**

The loss of the company for the year ended 30 June 2012 is \$33,747 (2011: surplus \$48,445). This is primarily due to loss of income from the Osteopathic Council of New Zealand (OCNZ) (2011: \$28,578)

### **Review of Operations**

From 1 July 2010 for a period of three years, ANZOC was appointed as the accreditation authority for the Osteopathy Board of Australia under the *Health Practitioner Regulation National Law 2009* (National Law).

In the year ending 30 June 2012, ANZOC awarded full accreditation for five years to the RMIT University osteopathy program commencing 1 January 2012. ANZOC also awarded full accreditation for five years to the Southern Cross University osteopathy program commencing 5 March 2012.

Commencing in January 2011, the process for assessment of overseas trained osteopaths has attracted significant interest from overseas trained osteopaths with nine (9) osteopaths successfully completing the four-stage assessment process to 30 June 2012 and 3 applicants at various stages of the assessment process at year end. It is expected that the introduction of a competent authority pathway in 2013 will see these numbers rise.

In April 2011, the Osteopathic Council of New Zealand (OCNZ) opened a competent authority pathway to registration for United Kingdom trained osteopaths. This is also attracting significant interest with over 30 osteopaths taking advantage of this option to 30 June 2012.

### **Significant Changes in the State of Affairs**

The OCNZ ceased membership of ANZOC on 31 March 2012. Ms Judith Dikstein was appointed a member of the company on 29 March 2012 as a nominee of the Osteopathy Board of Australia under clause 7 of the Constitution.

### **Performance in Relation to Environmental Regulation**

The operations of the company are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

### **Likely Developments and Future Results**

The company expects to maintain the present status and level of operations and hence there are no likely developments in the company's operations. The company is continually updating, reviewing and improving its management and governance practices to ensure that the strategic objectives of the company are met.

### **Dividends**

The company is limited by guarantee and its Constitution precludes the payments of dividends.

### **Events After the Reporting Period**

No matters or circumstances have arisen occurring subsequent to the end of the financial year to the date of this report that have significantly affected, or may significantly affect, the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

## **Directors' Report cont.**

### **Company Secretary**

Rachel Portelli – appointed 1 June 2011

### **Indemnification of Officers and Auditors**

During the financial year, the company paid a premium in respect of a contract insuring the directors of the company, the company secretary and all executive officers of the company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the *Corporations Act 2011*. The contract of insurance prohibits disclosure of the nature of the cover and the amount of the premium.

The company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the company or of any related body corporate against a liability incurred as such officer or auditor.

### **Proceedings on Behalf of the Company**

No person has applied for leave of the Court to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

The company was not a party to any such proceedings during the year.

### **Auditor's Independence**

The auditor's independence declaration is included on page 12 of the annual report.

## Directors' Report cont.

### Directors' Meetings

Director	Board		Accreditation		Executive <sup>^</sup>		OSAC	
	A	B	A	B	A	B	A	B
M Clark	5	5	*	*	6	6	*	*
L Adam	4	5	*	*	4	4	*	*
R Myers	5	5	*	*	2	3	4	4
C Ewan	4	5	2	5	*	*	*	*
C Standen	4	5	5	5	*	*	*	*
K Blackmore	4	5	*	*	*	*	*	*
M Mulholland-Licht	5	5	*	*	3	3	*	*
S Linden	5	5	*	*	*	*	*	*
S Mac Suibhne	2	3	*	*	2	2	4	4

\* The Board member is not a member of this sub-committee

<sup>^</sup> Clause 15 of the Constitution states that the Chairperson, Deputy Chairperson and Treasurer will form the Executive Committee

A Number of meetings attended

B Number of meetings held during the time the director was in office for the year ending 30 June 2012

OSAC OSAC means the Overseas Assessment Committee

### Member's 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 2012 the number of members was 1 (2011: 1 member).

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



**MARION CLARK**

Chairperson

10 September 2012

# Hourigan Partners

Chartered Accountants

## Auditor's Independence Declaration

### To the directors of 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 Australian and New Zealand Osteopathic Council Limited for the financial year ended 30 June 2012, 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.

  
Hourigan Partners Audit Pty Ltd  
ACN 149 707 960  
Authorised Audit Company

  
Simon Hourigan  
Director  
Registered Company Auditor

Melbourne *10*  
Dated this *10* day of *September* 2012

## Statement of Comprehensive Income for the year ended 30 June 2012

	Note	Year ended 30 June 2012 \$	Year ended 30 June 2011 \$
<b>Revenue and other income</b>			
Revenue	3	263,147	237,442
Net grant income	4	-	71,321
Other income	5	4,037	14,233
<b>Revenue and other income</b>		<u>267,184</u>	<u>322,996</u>
Administration expenses		117,787	74,807
Board and sub-committee expenses		140,792	70,130
Overseas assessment project costs		3,744	84,710
Other project expenses		27,979	44,556
Amortisation expenses		-	348
Other expenses		10,629	-
<b>Expenditure</b>		<u>300,931</u>	<u>274,551</u>
<b>(Deficit)/Surplus before income tax</b>		<u>(33,747)</u>	<u>48,445</u>
Income tax expense		-	-
<b>Net (deficit)/surplus for the year</b>		<u>(33,747)</u>	<u>48,445</u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive (loss) /Income for the year</b>		<u>(33,747)</u>	<u>48,445</u>

*The accompanying notes form part of these financial statements.*

## Statement of Financial Position as at 30 June 2012

	Note	30 June 2012 \$	30 June 2011 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	37,951	10,640
Trade and other receivables	7	566	55,242
Current tax assets	8	-	570
Other current assets	9	5,034	9,250
<b>Total current assets</b>		<b>43,551</b>	<b>75,702</b>
<b>Non-current assets</b>			
Intangible assets	10	-	3,798
<b>Total non-current assets</b>		<b>-</b>	<b>3,798</b>
<b>Total Assets</b>		<b>43,551</b>	<b>79,500</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	24,439	26,641
<b>Total current liabilities</b>		<b>24,439</b>	<b>26,641</b>
<b>Total Liabilities</b>		<b>24,439</b>	<b>26,641</b>
<b>Net Assets</b>		<b>19,112</b>	<b>52,859</b>
Accumulated surplus		19,112	52,859
<b>Total Equity</b>		<b>19,112</b>	<b>52,859</b>

*The accompanying notes form part of these financial statements.*

## Statement of Changes in Equity for the year ended 30 June 2012

	<b>Accumulated Surplus \$</b>
Balance at 30 June 2010	4,414
Net surplus for the financial year	48,445
Other comprehensive income for the year	-
<b>Balance at 30 June 2011</b>	<u>52,859</u>
Balance at 30 June 2011	52,859
Net deficit for the financial year	(33,747)
Other comprehensive income for the year	-
<b>Balance at 30 June 2012</b>	<u>19,112</u>

*The accompanying notes form part of these financial statements.*

## Statement of Cash Flows for the year ended 30 June 2012

	Note	Year ended 30 June 2012 \$	Year ended 30 June 2011 \$
<b>Cash Flows from Operating Activities</b>			
Receipts from funding bodies		198,743	134,617
Receipts from accreditations and assessments		138,602	71,023
Payments to suppliers		(312,557)	(335,677)
Funds from Australian Osteopathic Council		-	11,925
Proceeds from Government grants		-	121,000
Interest received		2,523	1,273
Tax amounts received/(paid)		902	(570)
Net cash inflow from operating activities		27,311	4,161
<b>Cash Flows from Investing Activities</b>			
Purchase of intangible assets		-	(4,146)
Net cash flows used in investing activities		-	(4,146)
<b>Cash Flows from Financing Activities</b>			
Net cash flows used in financing activities		-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		27,311	(555)
<b>Cash and cash equivalents at the beginning of the Financial Year</b>		10,640	11,195
<b>Cash and Cash Equivalents at the end of the Financial Year</b>	6	37,951	10,640

The accompanying notes form part of these financial statements.



## Notes to the Financial Statements

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## Notes to the Financial Statements (continued)

### 1 Corporate information

The financial statements are for the Australian and New Zealand Osteopathic Council (ANZOC or the company) as an individual company, incorporated and domiciled in Australia. ANZOC is a company limited by guarantee. The financial report was authorised for issue on 10 September 2012.

### 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 directors have elected under Section 334(5) of the *Corporations Act 2001* to apply the following Accounting Standards in advance of their effective dates:

- AASB 1053 Application of Tiers of Australian Accounting Standards; and
- AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements (RDR).

AASB 1053 and AASB 2010-2 are not required to be applied until annual reporting periods beginning on or after 1 July 2013.

AASB 1053 establishes a differential financial reporting framework consisting of two tiers of reporting requirements for general purpose financial statements:

- Tier 1 – Australian Accounting Standards
- Tier 2 - Australian Accounting Standards – Reduced Disclosure Requirements.

AASB 2010-2 makes amendments to each Standard and Interpretation indicating the disclosures not required to be made by Tier 2 entities or inserting RDR paragraphs requiring simplified disclosures for Tier 2 entities.

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.

## Notes to the Financial Statements (continued)

### Basis of Preparation

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.

### **Accounting Policies**

#### **(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.

#### **(c) Cash and cash equivalents**

Cash and cash equivalents in the statement of financial position comprise cash at bank. For the purposes of the cash flow statement, cash and cash equivalents consist of cash at bank net of any outstanding bank overdrafts.

#### **(d) Trade and other receivables**

Trade receivables, which comprise amounts due from services provided, are recognised and carried at original invoice amount less an allowance for any uncollectable amounts. Normal terms of settlement are within 30 days. The carrying amount of the receivables balance is deemed to reflect fair value.

An allowance for doubtful debts is made when there is objective evidence that the company will not be able to collect the debts. Bad debts are written off when identified.

## Notes to the Financial Statements (continued)

### (e) Trade creditors and other payables

Trade and other payables represent liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability. The carrying amount of the payables balance is deemed to reflect fair value.

### (f) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### (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 (continued)

### (i) Going concern

The financial report has been prepared on a going concern basis, which assumes continuity of normal trading activities and the realisation of assets and settlement of liabilities in the normal course of business. The company's continued existence is dependent upon continued funding from the Australian Health Practitioner Regulation Agency (AHPRA). The current Agreement for the Accreditation Function expires on 30 June 2013 and ANZOC has made a submission to the Osteopathy Board of Australia to remain as the accreditation authority from 1 July 2013 for a period of five (5) years.

### Note 3: Revenue

	30 June 2012	30 June 2011
	\$	\$
Funding Income – AHPRA	180,675	125,000
Funding Income – OCNZ	-	28,578
Accreditation fees	48,723	43,374
Overseas assessment fees	33,749	40,490
	<u>263,147</u>	<u>237,442</u>

### Note 4: Grant income

Department of Health & Ageing: Overseas Assessment Project Grant received/receivable	-	40,000
Unexpended grant brought forward	<u>-</u>	<u>31,321</u>
	<u>-</u>	<u>71,321</u>

On the 15th of June 2010, the Commonwealth of Australia as represented by the Department of Health and Ageing and ANZOC entered into a funding agreement for the completion of the Overseas Assessment Project. In accordance with the agreement, ANZOC became entitled to the first installment of funds for the project in June 2010. Under the conditions of the agreement, any unexpended funds were to be repaid to the Commonwealth and therefore represented a liability at 30 June 2010.

### Note 5: Other income

Interest income	2,523	1,273
Funds received from Australian Osteopathic Council	-	12,960
Other income amounts	1,514	-
	<u>4,037</u>	<u>14,233</u>

## Notes to the Financial Statements (continued)

### Note 6: Cash and cash equivalents

Cash at bank	37,951	10,640
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#### (a) Reconciliation to cash at the end of the period

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	37,951	10,640
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### Note 7: Trade and other receivables

	30 June 2012	30 June 2011
	\$	\$
Trade receivables	-	44,242
Grant receivable	-	11,000
Other receivables	566	-
	<u>566</u>	<u>55,242</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: Current tax assets

Income tax receivable	-	570
	<u>-</u>	<u>570</u>

### Note 9: Other current assets

Prepaid insurance	4,428	4,456
Prepaid accreditation	-	3,157
Other prepaid expenses	606	1,637
	<u>5,034</u>	<u>9,250</u>

## Notes to the Financial Statements (continued)

### Note 10: Intangible assets

Carrying amount of website	-	3,798
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	<b>Website</b>
<b>Cost</b>	
Balance at 30 June 2011	4,146
Additions	-
Disposals	-
Balance at 30 June 2012	-
<b>Accumulated amortisation and impairment</b>	
Balance at 30 June 2011	348
Amortisation expense	-
Impairment losses recognised in profit or loss	3,798
Balance at 30 June 2012	4,146

### Note 11: Trade and other payables

	30 June 2012	30 June 2011
	\$	\$
<b>Current</b>		
Trade creditors	8,620	10,447
Goods and services tax payable	9,574	10,275
Audit fees payable	5,500	5,500
ABN withholding payable	745	419
	<u>24,439</u>	<u>26,641</u>

## 12 Economic dependency

ANZOC is dependent on the Australian Health Practitioner Regulation Agency (AHPRA) for the majority of its revenue used to operate the business. As per clause 4.1 of the Agreement for Accreditation Functions between AHPRA and ANZOC, funding is reviewable annually. At the date of this report the Board of Directors has no reason to believe AHPRA will not continue to support ANZOC.

## 13 Related parties and related-party transactions

### (a) Equity Interests in Related Entities

The company does not have any equity interests in related entities.

### (b) Key Management Personnel Compensation

Disclosures relating to key management personnel compensation are set out in note 14.

### (c) Key Management Personnel Loans

There are no loans to or from key management personnel.





## Notes to the Financial Statements (continued)

### 14 Key management personnel compensation

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

	<b>Year Ended 30/06/12</b>	<b>Year Ended 30/06/11</b>
Compensation to directors	55,120	64,104

Where a director is also a member of an accreditation or overseas assessment committee, they are entitled to receive 'sitting fees' in addition to any reimbursement of expenses. The payment of these sitting fees is included in the aggregate compensation amounts above.

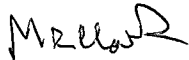
## Directors' Declaration

The directors declare that:

- a) the attached financial statements and notes thereto comply with the *Corporations Act 2001*, the Australian Accounting Standards – Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- b) the attached financial statements and notes thereto give a true and fair view of the company's financial position as at 30 June 2012 and its performance for the financial year ended on that date; and
- c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s 295 (5) of the *Corporations Act 2001*.

On behalf of the directors



**MARION CLARK**  
Chairperson

10 September 2012

## **Independent Auditor's Report**

**To the members of Australian and New Zealand Osteopathic Council Limited ACN 142 289 049**

### **Report on the financial report**

We have audited the accompanying financial report of Australian and New Zealand Osteopathic Council Limited, which comprises the statement of financial position as at 30 June 2012, 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 Australian and New Zealand Osteopathic Council Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Australian and New Zealand Osteopathic Council Limited would be in the same terms if given as at the time of this auditor's report.

### **Opinion**

In our opinion, the financial report of Australian and New Zealand Osteopathic Council Limited is in accordance with the Corporations Act 2001, including;

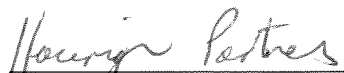
- (a) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

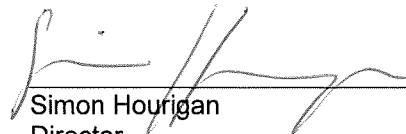
# Hourigan Partners

Chartered Accountants

## Emphasis of matter

We draw attention to Note 1 'Going Concern' of the financial report, which describes uncertainty related to the company's ability to continue as a going concern and therefore whether it will be able to pay its debts as and when they fall due and realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the company not continue as a going concern. Our opinion is not qualified in respect of this matter.

  
Hourigan Partners Audit Pty Ltd  
ACN 149 707 960  
Authorised Audit Company

  
Simon Hourigan  
Director  
Registered Company Auditor

Melbourne  
Dated this *10<sup>th</sup>* day of *September* 2012



10 September 2012

Mr Simon Hourigan  
Hourigan Partners Audit Pty Ltd  
18 Drummond Street  
CARLTON, VIC, 3053

Dear Mr Hourigan

**Re: Australian and New Zealand Osteopathic Council Limited (ANZOC) audit for the year ended 30 June 2012**

This representation letter is provided in connection with your audit of the financial report of ANZOC for the financial year ended 30 June 2012, for the purpose of you expressing an opinion as to whether the financial report is, in all material respects, 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 2012 and of its performance for the year ended on that date.
- b) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*.

We acknowledge our responsibility for ensuring that the financial report 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 2012 and of its performance for the year ended on that date;
- b) Complying with Australian Accounting Standards including the Australian Accounting Interpretations and the *Corporations Act 2001*; and
- c) Confirm that the financial report is free of material misstatements, including omissions.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

**Fraud and error**

1. We have made available to you:
  - a) All financial records and related data, other information, explanations and assistance necessary for the conduct of the audit; and
  - b) Minutes of all meetings of members, directors and committees of directors.
2. There:
  - a) Has been no fraud, error or non-compliance with laws and regulations involving management or employees who have a significant role in internal control;
  - b) Has been no fraud, error or non-compliance with laws and regulations that could have a material effect on the financial report; and
  - c) Have been no communications from regulatory agencies concerning non-compliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial report.
3. We acknowledge our responsibility for the design and implementation of internal control to prevent and detect fraud and error. We have established and maintained adequate internal control to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. There are no material transactions that have not been properly recorded in the accounting records underlying the financial report.
4. We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.

**Assets****General**

5. The assets shown in the company's books of account at 30 June 2012 belonged to the company, as the entity has satisfactory title to all assets and they were free from any charge by lien, assignment, encumbrance, or pledged as collateral.
6. We have no plans or intentions that may materially affect the carrying values or classification of assets and liabilities.
7. There are no agreements to repurchase assets previously sold that have not been previously disclosed to you.
8. We have considered the requirements of AASB 136 Impairment of Assets when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount. No indicators of impairment were present at balance date.

**Current assets****Debtors**

9. Balances owing by trade and other debtors at balance date are valid receivables. All known bad debts have been written off and based on review of the recoverability of debtor balances, in our opinion no doubtful debts provision is required.

**Other current assets**

10. Other current asset balances relate only to prepaid expenses.

**Insurance**

11. All assets and insurable risks of the company are adequately covered by insurance.

**Liabilities****General**

12. All material liabilities at the balance sheet date have been taken up in the books of account including the liability for all purchases to which title has passed prior to the stated date, and for all items included in inventory.

**Taxation**

13. The amounts included in the balance sheet in respect of taxation are adequate to cover all unpaid taxation liabilities, agreed or estimated, arising in respect of profits earned to the date of the balance sheet.
14. We confirm that currently there are no disputes with any taxation authorities whose effects should be considered for disclosure in the financial report or as a basis for recording an expense.

**Contingent and other unrecorded possible liabilities**

15. There was no contingent or undetermined and unrecorded obligations of a material amount for which provision has not been made in the financial report or noted thereon. This includes any material liabilities, contingent liabilities or assets arising under derivative financial investments.

**Provisions for losses**

16. We confirm that there are no provisions required in the financial report for losses of a material amount that have resulted from, or may be expected to result from, legal action or otherwise, or from events which had occurred by the balance sheet date, including losses resulting from forward purchase and/or sale contracts and from the fulfilment of, or an inability to fulfil or any sale commitments.
17. We can confirm there are no onerous contracts in operation at balance date.

## **Commitments**

18. There were no purchase commitments in excess of normal requirements or at prices in excess of the prevailing market prices.
19. There were no commitments for purchase or sale of any investment or repurchase of any investments, nor any options given by the company, including options on the company's share capital, nor any bonus or profit-sharing arrangements.
20. We confirm that there are no restrictions on cash balances, compensating balances and line-of-credit or similar arrangements.

## **Environmental matters**

21. There are no violations or possible violation of laws or regulations where effects should be considered for disclosure in the financial report or as a basis for recording an expense.

## **Related parties**

22. All details of related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements and guarantees (written or oral), have been correctly recorded in the accounting records and have been properly disclosed in the company's financial report or notes thereto, where required by statute, the Australian Accounting Standards, or where such disclosure is necessary for the true and fair presentation of the company's financial report.

## **Income statement**

23. Except as disclosed in the financial report, the results for the year were not materially affected by:
24. Transactions of a sort not usually undertaken by the company.
25. Circumstances of an exceptional or non-recurrent nature.
26. Charges or credits relating to a prior period.
27. Any change in the basis of accounting.
28. Revenue has been recognised in accordance with AASB 118.

## **Financial instruments**

29. All financial instruments have been classified, recognised and carried at appropriate values in accordance with AASB 7: Financial Instruments: Disclosures, AASB 132 Financial Instruments: Presentation and AASB 139 Financial Instruments: Recognition and Measurement, including derivatives and embedded derivatives.



## **Directors and key management personnel**

30. All details of related party transactions and related amounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements and guarantees (written or oral), have been correctly recorded in the accounting records and have been properly disclosed in the company's financial report or notes thereto, where required by statute, the Australian Accounting Standards, or where such disclosure is necessary for the true and fair presentation of the company's financial report.

## **Events subsequent to balance date**

31. No events have occurred and no facts have been discovered subsequent to the balance date, which would make the financial report for the period materially inaccurate or misleading, nor are any matters pending which might have such an effect, which have not already been disclosed in the financial report.

## **General**

32. No shortages or irregularities were reported to us during the year (whether already settled, or still under investigation or otherwise unsettled), which have not been disclosed to you. We understand that testing and sampling procedures are used in your examination, and that these would not necessarily disclose all shortages and irregularities.
33. We confirm that there are no material contracts that may affect the financial report for the year ended 30 June 2012 or that have become effective since that date.
34. The financial records of the company have been kept so as to enable a financial report to be prepared and audited and other records and registers required by the Corporations Act 2001, have been properly kept and are up-to-date.
35. The company has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of non-compliance.

## **Legal matters**

36. There were no legal matters pending or undertaken during, or at the end of, the reporting period or unasserted claims or assessments that our lawyer has advised us are probably of assertion which could give rise to a liability or which requires disclosure in the financial report.

## **Going concern**

37. We have made an assessment of the company's ability to continue as a going concern when preparing the financial statements. Where we are aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the company's ability to continue as a going concern, we have disclosed those uncertainties.
38. The financial report for the year ended 30 June 2012 has been prepared on the going concern basis, as we have received a guarantee of financial support for the financial year to 30 June 2013 from the funding body, AHPRA and the directors believe that such support will continue to be made available.

39. We understand that your examination was conducted in accordance with Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an opinion on the financial report of the entity taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

Yours sincerely  
Australian and New Zealand Osteopathic Council Ltd



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Marion Clark  
Chairperson



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Rachel Portelli  
Executive Officer/Company Secretary

Dated this tenth day of September 2012