

# **Australian Podiatry Association Limited**

ABN 24 008 488 748

Financial Statements

For the year ended 31 December 2020

**Australian Podiatry Association Limited**  
**ABN 24 008 488 748**

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**Australian Podiatry Association Limited**  
**ABN 24 008 488 748**  
**Directors' Report**

Your directors present this report on the company for the financial year ended 31 December 2020.

## **Directors**

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

Katrina Richards  
Ainslie Davies  
Ian Wilson  
Robert Mair (ceased 30 July 2020)  
Joseph Brooks  
Angela Evans AM  
Shelley Thomson  
Maria Latemore (appointed 31 July 2020)  
Jason Dunn (appointed 31 July 2020)

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

## **Principal Activities**

The principal activity of the company during the financial period was to raise the community awareness of the importance of foot health through the provision of services and support to podiatrists and podiatrist members. This included advocating on matters of clinical importance to podiatrists and their patients, advancing policy relating to Podiatry, promoting standards of practice, and advancing the role of podiatrists in the Australian health system. Throughout the year the company supported the profession and its stakeholders through the provision of timely information relating to COVID-19 and its related impact on podiatry services. The company also continued to progress the objective of forming one national body representing podiatrists. The podiatry associations of Queensland, Tasmania and South Australia have been dissolved and their operations amalgamated with the company. The operations of the podiatry associations of Victoria and New South Wales have been amalgamated and certain events remain to be completed in respect of the prospective winding up of the podiatry bodies in Victoria and New South Wales.

## **Operating Results for the Year**

The company's surplus for the year ended 31 December 2020 amounted to \$514,200 (31 December 2019: \$163,023 surplus).

## **Purpose**

The company's purpose is to lead and strengthen the podiatry profession.

## **Strategy Statement**

The company's strategic intent is to provide high quality services from a unified, trusted and well-resourced organisation.

## **Goals**

The company's goals are:

- To develop a member-centric approach to continuously improve our offerings;
- To maximise the potential of the profession through proactive representation;
- To create a progressive and relevant culture; and
- To develop a member growth strategy.

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**Directors' Report**

## Key Performance Measures

The company measures its own performance through the use of both quantitative and qualitative benchmarks. The benchmarks are used by the directors to assess the financial sustainability of the company and whether the company's short-term and long-term objectives are being achieved. The board establishes a set of annual KPIs for the CEO and measures progress against the KPIs on a regular basis.

## Information on Directors

### Katrina Richards

Qualifications	Bachelor of Podiatry (Hons), Bachelor of Arts, Master of Health Sciences (Podiatry), Graduate Certificate of Management, GAICD
Experience	Private Practitioner, former Chief Podiatrist – Public Sector, Quality, Planning and Innovation – hospital sector
Special Responsibilities	President, Australian Podiatry Association Board Member Australian Podiatry Association Victoria

### Ainslie Davies

Qualifications	Diploma of Applied Science (Podiatry) (Dist) QUT, MSc QMUC Edin, E-MBA USC, GAICD
Experience	Private Podiatrist
Special Responsibilities	Vice President, Australian Podiatry Association Chair Audit and Risk Committee

### Shelley Thomson

Qualifications -	Masters of Business Administration (MBA), Net Promoter® Certified Associate Qualification, Certificate IV in Training & Assessment, Diploma of Retail Management, Diploma in Ultrasonography, Diploma Of Applied Science (Nuclear Medicine Technology)
Experience	Patient experience advisor, author, speaker and expert facilitator. Extensive healthcare sector experience across clinical, operational and commercial sectors. Advises healthcare leaders on patient-centred strategies, healthcare technology implementation programs and value-based care models.

### Angela Evans AM

Qualifications	Doctor of Philosophy, by thesis (PhD), Graduate Diploma Social Science, Diploma Applied Science, Fellow - Australian Academy of Podiatric Sports Medicine, Fellow - Royal College of Physicians and Surgeons of Glasgow (Podiatric Medicine Faculty), MAICD
Experience	Clinician, Academic, Researcher, APodA Paediatric Podiatrist Credential, AHPRA assessments, Board Director AnglicareSA, Board Director St Mark's College, overseas aid project volunteer in Bangladesh, and previously with International Red Cross in Vietnam

### Ian Wilson

Qualifications	Qualified Accountant (FCPA), Chartered Company Secretary (AGIA), Member of the Australian Institute of Company Directors (MAICD)
Experience	Extensive Australian and international experience in senior financial and secretary roles, mainly in the technology, finance and not-for-profit sectors.

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Special Responsibilities                      Corporate Governance, Member of Audit and Risk Committee and Nominations Committee

**Joseph Brooks**

Qualifications                                  Bachelor of Podiatry

Experience                                      Private practice, previously president of Australian Podiatry Association (Tasmania)

Special Responsibilities                      Chairman of Nominations Committee  
Chair of Advocacy Committee

**Jason Dunn**

Qualifications                                  Bachelor of Health Science Podiatry

Experience                                      Private Podiatry Practice Manager Director; Director of Podiatry/Allied Health Managed – Public Sector

Special Responsibilities                      Advocacy Committee member

**Maria Latemore**

Qualifications                                  Bachelor of Podiatry

Experience                                      Practicing Podiatrist for over 20 years, Senior Podiatry roles in Public Sector Rural and Metro, Clinical Podiatry Advisor role, Private Practice owner – management of podiatry locums, podiatry in residential care facilities and home car. Allied Health Professions Committee, UniSA Podiatry Student Advisory Committee, Australian Health Professionals SA, Podiatry Association SA Regional Committee

Special Responsibilities                      APODA Aged Care Working Party

**Meetings of Directors**

During the financial period 5 meetings were held. Attendances by each director were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Katrina Richards	5	5
Ainslie Davies	5	5
Ian Wilson	5	5
Angela Evans	5	5
Shelley Thomson	5	5
Joseph Brooks	5	4
Robert Mair	3	3
Jason Dunn	2	2
Maria Latemore	2	1

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 \$10 each towards meeting any outstanding obligations of the company. At 31 December 2020, the total amount that members of the company are liable to contribute if the company is wound up is \$30,890 (31 December 2019: \$26,650).

**Australian Podiatry Association Limited**  
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**Directors' Report**

## **After Balance Date Events**

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the company by the reporting date. As responses by government continue to evolve; management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on the company, its operations, its future results and financial position.

Any future changes to the Group's operations relating to COVID19 will be in response to State and Commonwealth Government directions.

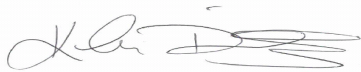
## **Future Developments**

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

## **Auditors Independence Declaration**

The lead auditor's independence declaration for the period ended 31 December 2020 has been received and can be found on page 7 of the financial report.

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



Director \_\_\_\_\_

Dated this 13th day of March 2021

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Australian Podiatry Association Limited for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.



**HLB Mann Judd**  
**Chartered Accountants**



**Nick Walker**  
**Partner**

Melbourne  
15 March 2021

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**Australian Podiatry Association Limited**  
**ABN 24 008 488 748**  
**Statement of Surplus or Deficit and Other Comprehensive Income**  
**For the year ended 31 December 2020**

	Note	2020 \$	2019 \$
Revenue	2	2,603,544	3,836,165
Interest revenue		31,929	59,592
Contributions - monetary	3	193,003	-
Contributions - non-monetary	3	235,000	-
COVID relief	4	486,186	-
Conference expenses		(64,742)	(669,798)
Event expenses		(26,160)	(220,022)
Employee benefits expense		(1,795,567)	(1,535,792)
Publications expense		(163,141)	(169,084)
Depreciation and amortisation expense	9	(39,769)	(38,796)
Insurance premium		(388,736)	(423,870)
Other expenses		(569,212)	(675,372)
<b>Surplus (deficit) before income tax</b>		<b>502,335</b>	<b>163,023</b>
Tax expense	5	-	-
<b>Surplus (deficit) for the year</b>		<b>502,335</b>	<b>163,023</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified subsequently to surplus or deficit:</b>			
Gain/(loss) on revaluation of non-current assets to fair value, net of tax	5,9	11,865	-
<b>Total other comprehensive income for the year</b>		<b>11,865</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>514,200</b>	<b>163,023</b>

The accompanying notes form part of these financial statements.



**Australian Podiatry Association Limited**  
**ABN 24 008 488 748**  
**Statement of Financial Position as at 31 December 2020**

	Note	2020 \$	2019 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6	1,405,016	1,220,912
Trade and other receivables	7	542,392	616,472
Financial Assets – term deposits at amortised cost		2,655,104	2,629,938
Other	8	258,200	392,296
<b>Total Current Assets</b>		<b>4,860,712</b>	<b>4,859,618</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	9	2,224,562	2,014,921
<b>Total Non-Current Assets</b>		<b>2,224,562</b>	<b>2,014,921</b>
<b>Total Assets</b>		<b>7,085,274</b>	<b>6,874,539</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	10	104,219	207,153
Employee provisions	11	218,939	94,069
Contract liabilities	12	961,725	1,246,941
Loans	13	220,579	258,393
<b>Total Current Liabilities</b>		<b>1,505,462</b>	<b>1,806,556</b>
<b>Non-Current Liabilities</b>			
Employee provisions	11	36,617	27,123
Deferred Income Tax	5	205,683	217,548
<b>Total Non-Current Liabilities</b>		<b>242,300</b>	<b>244,671</b>
<b>Total Liabilities</b>		<b>1,747,762</b>	<b>2,051,227</b>
<b>Net Assets</b>		<b>5,337,512</b>	<b>4,823,312</b>
<b>Members' Funds</b>			
Retained surplus		4,752,108	4,249,773
Reserves		585,404	573,539
<b>Total Members' Funds</b>		<b>5,337,512</b>	<b>4,823,312</b>

The accompanying notes form part of these financial statements.

**Australian Podiatry Association Limited**  
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**Statement of Changes in Members' Funds**  
**For the year ended 31 December 2020**

	Note	Retained Surplus \$	Revaluation Surplus \$	Total \$
<b>Balance at 31 December 2018</b>		4,086,750	573,539	4,660,289
<b>Comprehensive Income</b>				
Surplus (deficit) for the year		163,023	-	163,023
Other comprehensive income for the year, net of tax		-	-	-
<b>Total comprehensive income attributable to members' of the entity</b>		163,023	-	163,023
<b>Balance at 31 December 2019</b>		4,249,773	573,539	4,823,312
<b>Comprehensive Income</b>				
Surplus (deficit) for the year		502,335	-	502,335
Other comprehensive income for the year, net of tax		-	11,865	11,865
<b>Total comprehensive income (loss) attributable to members' of the entity</b>		502,335	11,865	514,200
<b>Balance at 31 December 2020</b>		4,752,108	585,404	5,337,512

The accompanying notes form part of these financial statements.

**Australian Podiatry Association Limited**  
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**Statement of Cash Flows**  
**For the year ended 31 December 2020**

	Note	2020 \$	2019 \$
<b>Cash Flow from Operating Activities</b>			
Receipts from members and customers		2,876,710	4,067,487
Monetary contributions		193,003	-
Payments to suppliers and employees		(2,843,027)	(3,743,860)
Interest received		30,717	61,768
Net cash generated from operating activities	14	257,403	385,395
<b>Cash Flow from Investing Activities</b>			
Purchases of financial assets		(23,954)	(531,907)
Payment for property, plant and equipment		(14,410)	(35,291)
Net cash used in investing activities		(38,364)	(567,198)
<b>Cash Flow from Financing Activities</b>			
Loans from Associates		(34,935)	(5,975)
		(34,935)	(5,975)
Net increase (decrease) in cash held		184,104	(187,778)
<b>Cash on hand at beginning of the year</b>		1,220,912	1,408,690
<b>Cash on hand at end of the year</b>	6	1,405,016	1,220,912

The accompanying notes form part of these financial statements.

**Australian Podiatry Association Limited**  
**ABN 24 008 488 748**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

The financial statements cover Australian Podiatry Association Limited as an individual entity, incorporated and domiciled in Australia. Australian Podiatry Association Limited is a company limited by guarantee.

The financial statements were authorised for issue on 13 March 2021 by the directors of the company.

## **Note 1: Summary of Significant Accounting Policies**

### **Basis of Preparation**

The directors have prepared the financial statements on the basis that the company is not a reporting entity because there are no users who are dependent on a general purpose financial report. The financial report has been prepared in accordance with the requirements of the Corporations Act 2001 and all applicable Australian Accounting Standards. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for cash flow information, 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. The amounts presented in the financial statements have been rounded to the nearest dollar.

### **Accounting Policies**

#### **a. Revenue**

##### **(i) Revenue recognition**

The company recognises revenue as follows:

##### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

##### *Membership subscription fees*

Membership subscriptions fees attributable to the current financial year are recognised as revenue at a point in time. Fees and subscriptions that related to future periods are recognised as contract liabilities in the consolidated statement of financial position.

##### *Conference fees*

Conference fees attributable to the current financial year are recognised as revenue at a point in time. Fees and subscriptions that related to future periods are recognised as contract liabilities in the consolidated statement of financial position.

##### *Insurance fees*

Insurance revenue is recognised on a straight-line basis over the period to which the insurance coverage applied.

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*Corporate sponsorship*

Sponsorships involving contra arrangements are recognised as revenue equivalent to the fair value of the services provided by the sponsor.

*Contributions*

Non-reciprocal contributions are accounted for as income at fair value when the company gains control of the assets contributed.

*Grants – COVID-19 relief*

During the year, the company was entitled to government payments relating to employee retention schemes in Australia as a result of the COVID-19 pandemic. The company has presented these grants and subsidies related to payroll expenses as a separate income and related eligible employee payroll expense in the surplus or deficit on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

*Interest income*

Interest revenue is recognised using the effective interest rate method.

*Other income*

Other income is brought into account when the company has obtained control over the asset and the amount can be reliably measured.

**(ii) Contract assets**

Contract assets are recognised when the company has transferred goods or services to the customer but where the company is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

**(iii) Contract liabilities**

Contract liabilities represent the company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the company has transferred the goods or services to the customer.

**b. Property, Plant and Equipment**

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

**Freehold Property**

Freehold land and buildings are shown at their fair value based on periodic, but at least quinquennial, valuations by external independent valuers.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in the surplus or deficit.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

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**Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised in surplus or deficit. A formal assessment of recoverable amount is made when impairment indicators are present (refer to note 1(c) for details of impairment).

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

Plant and equipment that have been contributed at no cost or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

**Depreciation**

The depreciable amount of all fixed assets, excluding freehold land and buildings, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation Rate
Plant and equipment	20-67%
Fixtures and fittings	5-20%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in surplus or deficit in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

**c. Impairment of assets**

At the end of each reporting period, the entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the assets, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised in surplus or deficit.

**d. Employee benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee provisions that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee provisions payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee provisions.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

**e. Cash and cash equivalents**

Cash on hand includes cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

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**f. Receivables**

Receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method less impaired losses.

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured amortised cost using the effective interest method, less any provision for impairment. Impairment of receivables is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of receivables has increased significantly since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and include forward looking information. There were no material changes when applying the ECL model.

**g. Goods and Services Tax (GST)**

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

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

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

**h. Income Tax**

The company is liable to income tax on income from non-members, less costs incurred in earning such income. Other income is considered to be non-assessable based on the principal of mutuality. Taxation, where applicable, has been provided for and is included in the statement of financial position as a current liability.

Deferred tax liabilities are recognised for taxable temporary and timing differences in the carrying amounts of assets or liabilities and their tax base where it is determined that the gain would be taxable.

**i. Payables**

Payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate method.

Accounts payable and other payables represent the 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.

**j. Loan liabilities**

Loans held by the company are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

**k. Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

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**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**(i) Key judgements – Impact of the COVID-19 Pandemic**

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. There does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date as a result of the Coronavirus (COVID-19) pandemic.

**Note 2: Revenue and Other Income**

	2020 \$	2019 \$
Revenue from operating activities:		
Membership Subscriptions	1,585,854	1,581,926
Publications	148,671	139,840
Corporate Sponsorship	182,124	136,388
Conference Income	164,450	1,177,404
CPD Event Income	30,855	312,494
Sundry Income	29,007	20,780
Insurance House Member Income	389,120	424,588
Rental Income	25,060	3,348
CPD Online Income	19,985	13,771
Management Fees	28,418	25,626
	2,603,544	3,836,165

**Note 3: Contributions**

	2020 \$	2019 \$
Monetary contributions:		
Australian Podiatry Association (SA)	193,003	-
Non-monetary contributions		
Australian Podiatry Association (SA)	235,000	-
Total contributions	428,003	-



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**Note 4: COVID-19 Relief**

	2020 \$	2019 \$
Cash flow boost	100,000	-
JobKeeper	351,000	-
State government grants	35,186	-
Total relief	486,186	-

**Note 5: Income Tax Expense**

	2020 \$	2019 \$
Surplus before income tax expense	502,335	163,023
Tax at the statutory rate of 26% (2019: 27.5%)	130,607	44,831
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	(108,269)	(94,318)
Increase/(decrease) in deferred tax asset not recognised	(22,338)	49,487
Total income tax expense	-	-

<b>Deferred income tax liability</b>	2020 \$	2019 \$
Balance at the beginning of the year	217,548	217,548
Effect of change in tax rates on revaluation surplus	(11,865)	-
Carrying amount at the end of the year	205,683	217,548

<b>Deferred tax assets not taken to account</b>	2020 \$	2019 \$
Tax losses	26,210	51,349
	26,210	51,349

**Note 6: Cash and Cash Equivalents**

	2020 \$	2019 \$
Cash at bank	1,405,016	1,220,912
Trust Account	-	-
Total cash and cash equivalent as stated in the statement of financial position and statement of cash flows	1,405,016	1,220,912

**Australian Podiatry Association Limited**  
**ABN 24 008 488 748**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**Note 7: Trade and Other Receivables**

	2020 \$	2019 \$
Trade and other receivables	550,501	616,472
Less provisions for doubtful debts	(8,109)	-
Total current accounts receivable and other debtors	<u>542,392</u>	<u>616,472</u>

**Note 8: Other Current Assets**

	2020 \$	2019 \$
Prepayments	253,035	379,475
Income Tax Refundable	-	9,942
Loans to associates	5,165	2,879
	<u>258,200</u>	<u>392,296</u>

**Note 9: Property, Plant & Equipment**

	Land and Buildings \$	Furniture and Equipment \$
<b>31 December 2019</b>		
Balance at the beginning of the year	1,898,063	120,363
Additions at cost	-	35,291
Revaluations	-	-
Depreciation expense	-	(38,796)
Carrying amount at the end of the year	<u>1,898,063</u>	<u>116,858</u>
<b>31 December 2020</b>		
Balance at the beginning of the period	1,898,063	116,858
Additions at cost	236,937	12,473
Revaluations	-	-
Depreciation expense	-	(39,769)
Carrying amount at the end of the period	<u>2,135,000</u>	<u>89,562</u>
	2020 \$	2019 \$
<b>Total Property, plant and equipment</b>	<u>2,224,562</u>	<u>2,014,921</u>

**Australian Podiatry Association Limited**  
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**Notes to the Financial Statements**  
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## Note 10: Trade and Other Payables

	2020 \$	2019 \$
<b>Unsecured</b>		
Trade creditors	100,438	201,101
Other payables	3,781	6,052
	104,219	207,153

## Note 11: Employee Provisions

	2020 \$	2019 \$
<b>Current Liabilities</b>		
Leave entitlements	193,242	80,897
Accrued wages and superannuation entitlements	25,697	13,172
	218,939	94,069
<b>Non-Current Liabilities</b>		
Leave entitlements	36,617	27,123
	36,617	27,123

### Employee Provisions

Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event the employees wish to use their leave entitlement.

The non-current portion for the provision includes long service leave entitlements that have not yet vested due to employees not having completed the required period of service. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements.

## Note 12: Contract Liabilities

	2020 \$	2019 \$
Advance Payments	48,929	187,893
Membership	741,600	843,132
Member Insurance Premiums	171,196	215,916
	961,725	1,246,941

**Australian Podiatry Association Limited**  
**ABN 24 008 488 748**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**Note 13: Loans**

	31 December 2020 \$	31 December 2019 \$
<b>Unsecured</b>		
Australian Podiatry Association (New South Wales) – monetary	207,114	207,114
Australian Podiatry Association (South Australia) – monetary	-	37,359
The Ted and Grace Renton Perpetual Memorial Prize Trust – monetary	13,465	13,920
	<u>220,579</u>	<u>258,393</u>

**The Ted and Grace Renton Perpetual Memorial Prize Trust**

As at 31 December 2020, the company was in the process of being appointed as trustee for the Ted and Grace Renton Perpetual Memorial Prize Trust by the Appointor. This process was not complete at 31 December 2020, and amounts held on behalf of the trust have considered to be a loan pending finalisation of the appointment.

**Note 14: Cash Flow Information**

	Year ended 31 December 2020 \$	Year ended 31 December 2019 \$
<b>Reconciliation of Cash Flow from Operating Activities with Surplus</b>		
Surplus or (Deficit) after income tax	502,335	163,023
<b>Non-cash flows</b>		
Non-monetary contributions	(235,000)	-
Depreciation expense	39,769	38,796
Deferred income tax expense		-
<b>Changes in assets and liabilities:</b>		
(Increase)/decrease in accounts receivable and other debtors	84,022	(46,270)
(Increase)/decrease in accrued interest	(1,212)	2,176
Increase/(decrease) in accounts payable and other payables	(102,934)	40,052
Increase/(decrease) in employee provisions	134,364	43,044
(Increase)/decrease in prepayments (asset)	121,275	(132,391)
Increase/(decrease) in contracted liabilities	<u>(285,216)</u>	<u>276,965</u>
Net cash flow provided by operating activities	<u>257,403</u>	<u>385,395</u>

**Note 15: Financial Risk Management**

The company's financial instruments consist mainly of deposits with banks, term deposits, receivables and payables.

**Australian Podiatry Association Limited**  
**ABN 24 008 488 748**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

**Note 16: Reserves**

Revaluation Surplus

The revaluation surplus records the revaluation of non-current assets net of related deferred income tax.

**Note 17: Entity Details**

The registered office and principal place of business of the entity is:

Australian Podiatry Association Limited  
89 Nicholson Street  
Brunswick East VIC 3057

**Note 18: 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 \$10 each towards meeting any outstanding obligations of the entity. At 31 December 2020, the number of members was 3,089 (31 December 2018: 2,665).

**Note 19: After Balance Date Events**

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the company by the reporting date. As responses by government continue to evolve; management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on the company, its operations, its future results and financial position.

Any future changes to the Group's operations relating to COVID19 will be in response to State and Commonwealth Government directions.


**Australian Podiatry Association Limited**  
**ABN 24 008 488 748**  
**Directors' Declaration**  
**For the period ended 31 December 2020**

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

In accordance with a resolution of the directors of Australian Podiatry Association Limited, the directors declare that:

- 1) The financial statements and notes, as set out on pages 8 to 21, are in accordance with the Corporations Act 2001 and:
  - a) comply with applicable Australian Accounting Standards as outlined in Note 1; and
  - b) give a true and fair view of the company's financial position as at 31 December 2020 and of its performance for the period ended on that date.
- 2) In the director's opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Dated: 13 March 2021

**INDEPENDENT AUDITOR'S REPORT  
to the Members of Australian Podiatry Association Limited**

**REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

**Opinion**

We have audited the financial report of Australian Podiatry Association Limited ("the Company") which comprises the statement of financial position as at 31 December 2020, the statement of surplus or deficit and other comprehensive income, the statement of changes in members' funds and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the *Corporations Regulations 2001*.

**Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

**Emphasis of Matter – Basis of Accounting**

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

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**HLB Mann Judd (VIC Partnership) ABN 20 696 861 713**

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### **Responsibilities of the Directors for the Financial Report**

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Report**

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**HLB Mann Judd**  
**Chartered Accountants**

Melbourne  
15 March 2021



**Nick Walker**  
**Partner**