Australasian College
for Emergency Medicine

ACEM Financial Report

For the Year Ended 30 June 2023

Australasian College for Emergency Medicine

ABN: 76 009 090 715

Financial Statements

For the Year Ended 30 June 2023

Australasian College for Emergency Medicine

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For the Year Ended 30 June 2023

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Directors' Report

30 June 2023

The directors present their report on Australasian College for Emergency Medicine, together with the financial statements of the Group, for the financial year ended 30 June 2023.

Directors

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

Names	**Qualification**
Dr John Bonning (until 28/11/2022)	BHB, MBChB, FACEM, GAICD
Dr Rebecca Day	MBBS, FACEM
Dr Kate Field (appointed 28/11/2022)	BMedSc, MBBS, MPH&TP, FACEM
Ms Jacqui Gibson-Roos	BEd, MEd, GAICD
Dr Stephen Gourley (appointed 28/11/2022)	MBBS, GradDip CE, MHM, MPH, MAICD, AFRACMA, FRCEM, FACEM
Dr Barry Gunn (until 28/11/2022)	MBBS, FACEM, Dip Av Med, MAICD
Mr Craig Hodges	BBus, DipBus, FCPA, FAHRI, GAICD, MAANZ
Ms Elizabeth Pallot	BA, LLB (Hons), GAICD
Associate Professor Didier Palmer	OAM, MBBCh, MRCGP, FRCS, FRCP, FRCEM, FACEM
Dr Clare Skinner	BSc, BA(Hons), MBBS, MPH, FACEM
Dr Shannon Townsend (until 28/11/2022)	MBBS, M.Med, MAICD
Associate Professor Melinda Truesdale	MBBS, FACEM, AFACAsM, GradDipHlthServMgt, GradDipHlthMedLaw, MACLM, AFRACMA, GAICD, ACCAM, PPL, AMA
Dr Thomas van Dantzig (appointed 28/11/2022)	BMedSc, MBBS, FRACGP, FARGP

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

Review of operations

The deficit of the Group for the financial year after providing for income tax amounted to $ 289,538 (2022: deficit of $193,259)

The Company’s net assets were $28,547,237 as at 30 June 2023 (2022: $27,523,528).

The financial year results have been prepared on an accrual accounting basis.

The focus of the Company continued to be the support of emergency medicine training, assessment, professional development, advocacy on behalf of members, and publication of general practice standards.

The Company continues to administer several Department of Health (DOH) funded projects, allowing the furthering of funding for the Specialist Training program, Emergency Medicine Education and Training program and other ancillary projects.

Directors' Report

30 June 2023

Principal activities

The Company's principal activity and long-term objective is to promote excellence in the delivery of quality emergency medical care to the community. To achieve this, ACEM aims to become the trusted authority for ensuring clinical professional and training standards in the provision of quality, patient focused emergency care.

The Company has adopted the following six strategic priorities for the period 2022 – 2024 to enable it to respond effectively to challenges and opportunities within emergency medicine and the wider health sector:

1. Education: continue to facilitate and support the training and education of emergency medicine professionals in a way the ensures the development of high-quality emergency care workforce that meets the needs of diverse populations and communities throughout Australia and Aotearoa New Zealand.
2. Member Support and Wellbeing: advocate for and support a safe and inclusive culture within emergency medicine through programs, initiatives and activities that promote inclusion, engagement and career progression and sustainability so that emergency medicine professionals can work to their full potential, recognising the need for member and trainee contributions to the work of the College.
3. Equity through Advocacy: through advice and proactive advocacy, highlight the leadership role of emergency physicians in the health system and seek to influence key decision makers to achieve equitable access and high-quality, patient-centred outcomes for people who see and have need for emergency care.
4. Research: ensure high quality data analysis and critical appraisal informs and supports our activities, and will work to strengthen the culture, profile, skills base and capacity of emergency medicine research to advance patient care.
5. Standards: continue to set, monitor and maintain standards for the provision of high-quality emergency medicine care and responsible healthcare stewardship in Australia and Aotearoa New Zealand, and foster increased participation, commitment and provision of expertise by trainees and members in emergency medicine related patient safety activities.
6. Organisation Sustainability and Awareness: continue development of infrastructure and processes to strengthen its role as a socially responsible, inclusive and environmentally sustainable organisation, through response to changing social expectations brough about by factors such as climate change and global pandemics.

No significant change in the nature of these activities occurred during the year.

Members' guarantee

Australasian College for Emergency Medicine is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $ 31,170 subject to the provisions of the company's constitution.

At 30 June 2023 the collective liability of members was $ 31,170 (2022: $ 31,170).

Significant changes

No significant change in the nature of these activities occurred during the year.

Benefits received directly or indirectly by officers

Elizabeth Pallot (Director) is employed with Russell Kennedy. During this reporting period $193,415 was paid to Russell Kennedy for the provision of legal services.

No other Director or related party, since the end of the previous financial period, has received or has become entitled to receive a benefit by reason of a contract made by the College.

Directors' Report

30 June 2023

Meetings of directors

During the financial year, 6 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Dr John Bonning (until 28/11/2022)	2	2
Dr Rebecca Day	6	5
Dr Kate Field (appointed 28/11/2022)	4	4
Ms Jacqui Gibson-Roos	6	6
Dr Stephen Gourley (appointed 28/11/2022)	4	2
Dr Barry Gunn (until 28/11/2022)	2	2
Mr Craig Hodges	6	6
Ms Elizabeth Pallot	6	5
Associate Professor Didier Palmer	6	6
Dr Clare Skinner	6	6
Dr Shannon Townsend (until 28/11/2022)	2	1
Associate Professor Melinda Truesdale	6	6
Dr Thomas van Dantzig (appointed 28/11/2022)	4	4

Auditor's independence declaration

The auditor's independence declaration in accordance with section 60-40 of the *Charities and Not-for-profits Commission Act 2012* for the year ended 30 June 2023 has been received and can be found on page 4 of the financial report.

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

Director: ....   Director: ....

Dated 16 October 2023

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Auditor's Independence Declaration to the Directors of Australasian College for Emergency Medicine under Section 60.40 of the *Australian Charities and Not-for-profits Commission Act 2012 (the Act)*

In relation to the audit of the financial report of Australasian College for Emergency Medicine for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Act or any applicable code of professional conduct.

PKF	Steven Bradby
Melbourne, 16 October 2023	Director

Australasian College for Emergency Medicine

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Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
Revenue	5	**40,375,271**	42,418,524
Other income	5	**1,084,610**	472,862
Net (loss)/gain on financial assets at FVTPL	6	**(11,512)**	(1,095,197)
Employee benefits expense		**(13,658,539)**	(12,142,872)
Depreciation and amortisation expense	6	**(1,882,542)**	(1,581,327)
Computer expenses		**(623,417)**	(600,924)
Audit, legal and consultancy expenses		**(993,934)**	(1,822,968)
Examination expenses		**(718,010)**	(1,012,285)
DOH direct project expenses		**(19,837,054)**	(21,983,145)
Publication expenses		**(452,575)**	(675,732)
Travel and accommodation expenses		**(1,531,779)**	(266,198)
Occupancy expenses		**(211,145)**	(239,847)
Other expenses		**(1,820,133)**	(1,656,461)
Finance costs		**(8,779)**	(7,689)
(Deficit)/Surplus for the year		**(289,538)**	(193,259)
Other comprehensive income			
Exchange differences on translating foreign branch		**(2,490)**	6,525
Revaluation of property, plant and equipment		**1,315,737**	-
Total comprehensive (deficit)/income for the year		**1,023,709**	(186,734)

The accompanying notes form part of these financial statements.

Australasian College for Emergency Medicine

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Statement of Financial Position

As At 30 June 2023

	Note	2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	**19,118,611**	20,179,591
Trade and other receivables	8	**3,382,688**	3,363,757
Other assets	9	**865,520**	605,091
Other financial assets	10	**7,523,229**	7,322,981
TOTAL CURRENT ASSETS		**30,890,048**	31,471,420
NON-CURRENT ASSETS			
Trade and other receivables		**2,000**	2,000
Other financial assets	10	**9,993,599**	8,990,124
Property, plant and equipment	11	**13,542,714**	12,771,751
Intangible assets	12	**2,583,207**	2,399,140
Right-of-use assets	13	**181,055**	234,528
TOTAL NON-CURRENT ASSETS		**26,302,575**	24,397,543
TOTAL ASSETS		**57,192,623**	55,868,963
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	14	**1,826,656**	4,042,015
Lease liabilities		**55,593**	55,593
Deferred revenue	15	**25,067,418**	22,518,184
Employee benefits	16	**1,408,844**	1,406,536
TOTAL CURRENT LIABILITIES		**28,358,511**	28,022,328
NON-CURRENT LIABILITIES			
Lease liabilities		**134,872**	185,692
Employee benefits	16	**152,003**	137,415
TOTAL NON-CURRENT LIABILITIES		**286,875**	323,107
TOTAL LIABILITIES		**28,645,386**	28,345,435
NET ASSETS		**28,547,237**	27,523,528
EQUITY			
Reserves		**7,873,399**	6,560,152
Retained earnings		**20,673,838**	20,963,376
TOTAL EQUITY		**28,547,237**	27,523,528

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 30 June 2023

2023

	Retained Earnings	Asset Revaluation Surplus	Foreign Currency Translation Reserve	Total
	$	$	$	$
Balance at 1 July 2022	**20,963,376**	**6,554,038**	**6,114**	**27,523,528**
Deficit for the year	**(289,538)**	**-**	**-**	**(289,538)**
Revaluation of property, plant and equipment	**-**	**1,315,737**	**-**	**1,315,737**
Adjustments from translation of foreign branch	**-**	**-**	**(2,490)**	**(2,490)**
Balance at 30 June 2023	**20,673,838**	**7,869,775**	**3,624**	**28,547,237**

2022

	Retained Earnings	Asset Revaluation Surplus	Foreign Currency Translation Reserve	Total
	$	$	$	$
Balance at 1 July 2021	21,156,635	6,554,038	(411)	27,710,262
Deficit for the year	(193,259)	-	-	(193,259)
Adjustments from translation of foreign branch	-	-	6,525	6,525
Balance at 30 June 2022	20,963,376	6,554,038	6,114	27,523,528

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Statement of Cash Flows

For the Year Ended 30 June 2023

	Note	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**47,495,022**	50,112,340
Payments to suppliers and employees		**(46,579,823)**	(41,534,011)
Interest received		**373,776**	82,448
Interest paid		**(8,754)**	(7,689)
Net cash provided by operating activities	18	**1,280,221**	8,653,088
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**(1,467,375)**	(1,714,729)
Net purchase of financial assets		**(832,006)**	(2,553,593)
Net cash used in investing activities		**(2,299,381)**	(4,268,322)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Principal repayments of lease liabilities		**(50,820)**	(54,096)
Net cash used in financing activities		**(50,820)**	(54,096)
Net (decrease)/increase in cash and cash equivalents held		**(1,069,980)**	4,330,670
Cash and cash equivalents at beginning of year		**20,179,591**	15,858,921
Cash and cash equivalents at end of financial year	7	**19,109,611**	20,189,591

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 30 June 2023

The financial report covers Australasian College for Emergency Medicine ('the Group'). Australasian College for Emergency Medicine is a not-for-profit Company, registered and domiciled in Australia.

The Company is a company limited by guarantee incorporated in Australia and operating in Australia and New Zealand.

The financial statements are presented in Australian dollars and are rounded to the nearest dollar.

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

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012*.

Comparatives are consistent with prior years, unless otherwise stated.

2 New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

AASB 15 provides a single comprehensive model for revenue recognition arising from contracts with customers. The core principle of the standard as it applies to the Company is that revenue recognition depicts the transfer of promised services to customers (including government) at an amount that reflects the consideration entitlement expected in exchange for those services. The standard applies a contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price.

AASB 1058 addresses transactions that are not contracts with customers. The timing of income recognition under AASB 1058 is dependent upon whether the transaction gives rise to a liability or other performance obligation at the time of receipt. Income under the standard is recognised where: an asset is received in a transaction, such as by way of grant, bequest or donation; there has either been no consideration transferred, or the consideration paid is significantly less than the asset's fair value; and where the intention is to principally enable the entity to further its objectives.

None of the revenue streams of the Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

The revenue recognition policies for the principal revenue streams of the Group are:

Grant Revenue

Grant revenue is recognised in profit or loss when the company satisfies its performance obligation. Depending on the contract this could be over time or at a point in time.

When the Company receives operating grant revenue, donations or bequests, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15.

When both these conditions are satisfied, the Company:

- identifies each performance obligation relating to the grant;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the Company:

- recognises the asset received in accordance with the recognition requirements of other applicable Accounting Standards (for example AASB 9, AASB 16, AASB 116 and AASB 138);
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer); and
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the Company recognises income in profit or loss when or as it satisfies its obligations under the contract.

The Australasian College for Emergency Medicine has received Australian Government funding under the "Specialist Training Program: Health Workforce Program" initiative. Revenue is recognised when the performance obligations within each contract is fulfilled.

Subscriptions and annual training fees

Revenue from membership subscriptions and annual training fees are recognised over time. The benefits are consumed as the performance obligation are satisfied.

Exam fees

Exam fees are recognised at a point in time when the exam is held.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Application and entrance registration fees

Application fees are recognised on a straight line basis over the average number of years of active FACEM membership. This has been determined as 25 years.

Entrance registration fees are recognised on a straight line basis over the average time taken by a trainee to complete the FACEM Training Program. This has been determined as 7 years.

Other income

Other income is recognised on an accruals basis when the Group is entitled to it.

(b) Income Tax

The Company is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for significantly less than fair value have been recorded at the acquisition date fair value.

3 Summary of Significant Accounting Policies

(e) Property, plant and equipment

Land and buildings

Land and buildings are measured using the revaluation model. Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the statement of income and expenditure and other comprehensive income. 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.

Plant and equipment

Plant and equipment are measured using the revaluation model.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Group, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	**Depreciation rate**
Buildings	2.5%
Plant and Equipment	2-50%
Computer Equipment	20-67%
Anatomy Models	10%
Low Value Asset Pool	2%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

Each asset class's carrying amount is written down immediately to its recoverable amount if the class's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the Statement of Income and Expenditure and Other Comprehensive Income.

3 Summary of Significant Accounting Policies

(f) Intangible assets

Software

Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses. It has an estimated useful life of between three and five years.

(g) Impairment of non-financial assets

At the end of each reporting period the Group determines whether there is an evidence of an impairment indicator for non-financial assets. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

(h) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

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

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Group classifies its financial assets into the following categories, those measured at amortised cost or fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

3 Summary of Significant Accounting Policies

(h) Financial instruments

Financial assets

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL. Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The Group's financial assets measured at FVTPL comprise share included in other financial assets in the statement of financial position.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for financial assets measured at amortised cost.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Other financial assets measured at amortised cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model in AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

3 Summary of Significant Accounting Policies

(h) Financial instruments

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables and lease liabilities.

(i) Leases

At inception of a contract, the Group assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group's assessment of lease term.

3 Summary of Significant Accounting Policies

(i) Leases

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Group has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(j) Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

4 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

The Company assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

4 Critical Accounting Estimates and Judgements

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectable. The impairment provision is based on the best information at the reporting date.

Key judgements - Performance Obligations under AASB 15

To identify performance obligations under AASB 15, the promise must be sufficiently specific to be able to determine when the obligation is satisfied. Management exercises judgement to determine whether the promise is sufficiently specific by taking into account any conditions specified in the arrangement, explicit or implicit, regarding the promised goods or services. In making this assessment, management includes the nature/type, cost/value, quantity and the period of transfer related to the goods or services promised.

Further to this, the average membership life of 25 years was determined for FACEM Membership and 7 years as the average time taken to complete the FACEM Training Programs. These were the key estimates used to determine the Application and Entrance Fee income for the financial year. Amounts outlined in Note 15 as Application fees and entrance registration fees in advance have been included in accordance with the requirements of AASB 15.

Notes to the Financial Statements

For the Year Ended 30 June 2023

5 Revenue and Other Income

Revenue from continuing operations

	2023	2022
	$	$
Revenue from contracts with customers (AASB 15)		
- DOH Project income	**20,900,308**	23,434,696
- Fellowship fees	**7,161,723**	6,511,610
- Examination fees	**3,973,537**	4,559,908
- Conference surplus	**561,484**	230,207
- Provision of services	**429,508**	323,921
- Trainee fees	**5,328,606**	4,580,843
- CPD fees (Non-Fellows)	**16,484**	3,601
- Other subscription fees	**1,480,170**	2,015,189
	39,851,820	41,659,975
Revenue recognised on receipt (not enforceable or no sufficiently specific performance obligations - AASB 1058)		
- Miscellaneous Income	**515,991**	753,449
- Donations	**7,460**	5,100
	523,451	758,549
Total Revenue	**40,375,271**	42,418,524

Other Income

	2023	2022
Other Income comprises:		
- Interest	**373,776**	82,448
- Investment income	**330,117**	390,414
- Net gain on financial assets at FVTPL	**380,717**	-
	1,084,610	472,862
Total Revenue and Other Income	**41,459,881**	42,891,386

6 Result for the Year

	2023	2022
Depreciation and amortisation expense		
Depreciation - Property, plant and equipment	**690,846**	740,746
Amortisation - Intangible assets	**1,138,004**	781,519
Depreciation - Right of use Assets	**53,743**	59,062
	1,882,593	1,581,327
Net loss/(gain) on financial assets at FVTPL	**11,512**	1,095,197

7 Cash and Cash Equivalents

	2023 $	2022 $
Cash at bank and in hand	**1,407,285**	5,773,035
Short-term deposits	**17,711,326**	14,406,556
	19,118,611	20,179,591

8 Trade and other receivables

CURRENT		
Trade receivables	**3,349,541**	3,427,518
Provision for impairment	**(140,745)**	(83,265)
	3,208,796	3,344,253
Annual conference seed funding	**89,504**	19,504
Other receivables	**84,388**	-
Total current trade and other receivables	**3,382,688**	3,363,757

9 Other Assets

CURRENT		
Prepayments	**604,666**	413,522
Accrued income	**260,854**	191,569
	865,520	605,091

10 Other Financial Assets

CURRENT		
Term deposits	**7,523,229**	7,322,981
	7,523,229	7,322,981
NON-CURRENT		
Equity securities - designated at fair value through Profit or Loss	**6,229,887**	5,559,898
Other financial assets	**3,763,712**	3,430,226
	9,993,599	8,990,124
	17,516,828	16,313,105

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Property, plant and equipment

	2023	2022
	$	$
Land and Buildings		
At fair value	**12,750,000**	13,020,019
Accumulated depreciation	**-**	(1,152,058)
Total land and buildings	**12,750,000**	11,867,961
Plant and equipment		
At cost	**871,602**	869,556
Accumulated depreciation	**(743,429)**	(710,829)
Total plant and equipment	**128,173**	158,727
Computer equipment		
At cost	**661,927**	607,334
Accumulated depreciation	**(525,651)**	(404,840)
Total computer equipment	**136,276**	202,494
Leasehold Improvements		
At cost	**43,181**	42,383
Accumulated depreciation	**(4,966)**	(706)
Total leasehold improvements	**38,215**	41,677
Anatomy Models		
At cost	**61,927**	61,927
Accumulated depreciation	**(51,932)**	(50,817)
Total anatomy models	**9,995**	11,110
Art works		
At cost	**545,868**	545,868
Accumulated depreciation	**(65,813)**	(56,086)
Total Art works	**480,055**	489,782
Total property, plant and equipment	**13,542,714**	12,771,751

Notes to the Financial Statements

For the Year Ended 30 June 2023

11 Property, plant and equipment

Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings	Plant and Equipment	Computer Equipment	Leasehold Improvements	Anatomy Models	Art works	Total
	$	$	$	$	$	$	$
Year ended 30 June 2023							
Balance at 1 July 2022	11,867,961	158,727	202,494	41,677	11,110	489,782	12,771,751
Additions	88,497	1,080	55,507	-	-	-	145,084
Depreciation expense	(522,195)	(31,788)	(121,791)	(4,229)	(1,115)	(9,727)	(690,845)
Revaluation increase	1,315,737	-	-	-	-	-	1,315,737
Foreign exchange movements	-	154	66	767	-	-	987
Balance at the end of the year	12,750,000	128,173	136,276	38,215	9,995	480,055	13,542,714

Notes to the Financial Statements

For the Year Ended 30 June 2023

12 Intangible Assets

	2023	2022
	$	$
DipPHRM		
Cost	**134,349**	119,998
Accumulated amortisation and impairment	**(92,947)**	(50,761)
Net carrying value	**41,402**	69,237
Intangible assets under development		
Cost	**176,500**	485,000
Website		
Cost	**478,075**	477,910
Accumulated amortisation and impairment	**(453,584)**	(432,085)
Net carrying value	**24,491**	45,825
Database		
Cost	**3,343,510**	1,906,038
Accumulated amortisation and impairment	**(1,626,787)**	(971,468)
Net carrying value	**1,716,723**	934,570
Trainee Recruitment Management System		
Cost	**418,397**	410,638
Accumulated amortisation and impairment	**(401,810)**	(356,146)
Net carrying value	**16,587**	54,492
Portal Enhancements		
Cost	**720,099**	719,406
Accumulated amortisation and impairment	**(589,308)**	(449,791)
Net carrying value	**130,791**	269,615
Member and Training Portal		
Cost	**2,750,130**	2,606,692
Accumulated amortisation and impairment	**(2,432,227)**	(2,269,088)
Net carrying value	**317,903**	337,604
EMC EMD Modules		
Cost	**487,715**	460,858
Accumulated amortisation and impairment	**(328,905)**	(258,061)
Net carrying value	**158,810**	202,797
Total Intangible assets	**2,583,207**	2,399,140

Australasian College for Emergency Medicine

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Notes to the Financial Statements

For the Year Ended 30 June 2023

12 Intangible Assets

Movements in carrying amounts of intangible assets

	DipPHRM	Intangible assets under development	Website	Database	Trainee Recruitment Management System	Portal Enhancements	Member and Training Portal	EMC EMD Modules	Total
	$	$	$	$	$	$	$	$	$
Year ended 30 June 2023									
Balance at the beginning of the year	69,237	485,000	45,825	934,570	54,492	269,615	337,604	202,797	2,399,140
Additions	14,352	1,103,001	-	46,821	7,759	693	143,438	6,007	1,322,071
Transfers	-	(1,411,501)	-	1,390,651	-	-	-	20,850	-
Amortisation	(42,187)	-	(21,334)	(655,319)	(45,664)	(139,517)	(163,139)	(70,844)	(1,138,004)
Closing value at 30 June 2023	41,402	176,500	24,491	1,716,723	16,587	130,791	317,903	158,810	2,583,207

13 Right-of-use assets

The Group has lease on a premises in New Zealand.

Information relating to the leases in place and associated balances and transactions are provided below.

The Group has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability.

Right-of-use assets

	Premises	Total
	$	$
Year ended 30 June 2023		
Balance at beginning of year	**234,528**	**234,528**
Depreciation charge	**(53,473)**	**(53,473)**
Balance at end of year	**181,055**	**181,055**

Lease liabilities

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	$	$	$	$	$
2023					
Lease liabilities	**59,266**	**142,883**	**-**	**202,149**	**190,465**
2022					
Lease liabilities	58,171	193,903	-	252,074	241,285

14 Trade and Other Payables

	2023	2022
	$	$
CURRENT		
Trade payables	**816,864**	3,071,745
GST payable	**616,123**	99,366
Accrued expense	**393,669**	870,904
	1,826,656	4,042,015

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Year Ended 30 June 2023

15 Deferred revenue

	2023 $	2022 $
CURRENT		
DOH Funding (received in advance)	**9,100,477**	7,399,515
Deferred income	**15,966,941**	15,118,669
	25,067,418	22,518,184

16 Employee Benefits

	2023 $	2022 $
CURRENT		
Long service leave	**336,430**	280,746
Annual leave	**1,072,414**	1,125,790
	1,408,844	1,406,536
NON-CURRENT		
Long service leave	**152,003**	137,415

17 Financial Risk Management

	2023 $	2022 $
Financial assets		
Held at amortised cost		
Cash and cash equivalents	**19,118,611**	20,179,591
Trade and other receivables	**3,384,688**	3,365,757
Term deposits	**7,523,229**	7,322,981
Fair value through profit or loss (FVTPL)		
Other financial assets	**3,763,712**	3,430,226
Equity securities	**6,229,887**	5,559,898
Total financial assets	**40,020,127**	39,858,453
Financial liabilities		
Trade and other payables	**1,826,656**	4,042,015
Total financial liabilities	**1,826,656**	4,042,015

Notes to the Financial Statements
For the Year Ended 30 June 2023

18 Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2023	2022
	$	$
Deficit for the year	**(289,538)**	(193,259)
Cash flows excluded from (deficit)/surplus attributable to operating activities		
Non-cash flows in (deficit)/surplus:		
- depreciation and amortisation	**1,882,542**	1,581,327
- fair value loss /(gain) on investments	**(380,717)**	1,095,197
- Foreign exchange on net assets	**(2,490)**	6,525
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**164,949**	561,248
- (increase)/decrease in other assets	**(260,431)**	364,066
- increase/(decrease) in trade and other payables	**(2,216,344)**	2,823,140
- (increase)/decrease in deferred income	**2,365,354**	2,500,302
- increase/(decrease) in employee benefits	**16,896**	(85,458)
Cashflows from operations	**1,280,221**	8,653,088

19 Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company is $ 1,718,819 (2022: $ 1,579,789). Directors do not receive any remuneration.

20 Auditors' Remuneration

Remuneration of the auditor PKF, for:		
- auditing or reviewing the financial statements	**39,000**	32,000

21 Related Parties

No other Director, since the end of the previous financial period, has received or has become entitled to receive a benefit by reason of a contract made by the College or a related corporation with a member of the Director or a firm of which a Director is a member or with a company in which a Director has a substantial financial interest.

Key management personnel - refer to Note 19.

Notes to the Financial Statements

For the Year Ended 30 June 2023

22 Events after the end of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

23 Statutory Information

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

Australasian College for Emergency Medicine
34 Jeffcott Street
West Melbourne
Victoria 3003

Australasian College for Emergency Medicine

ABN: 76 009 090 715

Responsible Persons' Declaration

The responsible persons declare that in the responsible persons' opinion:

- there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022*.

Responsible person .... Responsible person ....

Dated 16 October 2023

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Independent Auditor's Report to the Members of Australasian College for Emergency Medicine

Auditor's Opinion

We have audited the accompanying financial report of Australasian College for Emergency Medicine ('the Company'), which comprises the statement of financial position as at 30 June 2023, and the statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act), including:

a) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
b) complying with Australian Accounting Standards – Simplified Disclosures, and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 ACNC Act, 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.

Directors' Responsibility 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 in accordance with the Australian Accounting Standards – Simplified Disclosures and the ACNC Act and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 Responsibility 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with 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 those charged with governance 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

PKF
Melbourne, 16 October 2023

Steven Bradby
Director

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