

**Australian and New Zealand Podiatry Accreditation  
Council Incorporated**

ABN 91 454 059 309

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

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## Corporate Information

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|   |   |  |
|---|---|--|
| <b>Officers</b>   | Dr Rolf Scharfbillig<br>Dr Adam Bird<br>Ms Alexandra Noble-Beasley<br>Ms Fiona Angus<br>Mr Matthew Carroll<br>Mr Trent Johnston<br>Mr David McKay<br>Ms Fiona Oliver<br>Ms Joan Russell | Chairperson<br>Deputy Chairperson<br>Treasurer |
| <b>Accreditation Committee</b>                          | Dr Rolf Scharfbillig<br>Mr Matthew Carroll<br>Mr Bernard Comerford<br>Dr Mark Gilheany<br>Dr Sara Jones<br>Ms Joan Russell  | Chairperson                                    |
| <b>Qualifications &amp; Skills Assessment Committee</b> | Dr Adam Bird<br>Ms Verona Du Toit<br>Ms Belinda Ihaka<br>Ms Carol Mioduchowski<br>Dr Susanne Owen<br>Dr Paul Tinley   | Chairperson                                    |
| <b>Public Officer</b>                                   | Dr Rolf Scharfbillig  |  |
| <b>Principal Place of Business</b>                      | Level 31, 120 Collins Street<br>Melbourne VIC 3000  |  |
| <b>Auditors</b>   | ODV Accountants and Financial Services<br>PO Box 148<br>Torrensville Plaza SA 5031  |  |

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## Committee Report

The Australian and New Zealand Podiatry Accreditation Council (ANZPAC) was incorporated in South Australia on 16 April 2008.

ANZPAC is an independent body with membership currently comprising the Podiatrists' Board of New Zealand. The Board of Management comprises registered podiatrists (nominated by the Australasian Registration Boards), nominees from the Australasian professional associations (Australasian Podiatry Council and Podiatry New Zealand), and nominees from educational institutions offering podiatric programs in both Australia and New Zealand and community representation.

The Ministerial Council assigned ANZPAC the accreditation functions for the Podiatry Board of Australia under the National Registration and Accreditation Scheme for Health Professions introduced in July 2010.

The role and function of ANZPAC under the Australian Health Practitioner Regulation National Law 2009 (National Law) is codified in the podiatry specific schedule of the service agreement for the accreditation function between the Australian Health Practitioner Regulation Agency (AHPRA) and ANZPAC signed in June 2012.

The purpose of ANZPAC as defined in the Constitution is to assess and accredit podiatric education programs that aim to graduate persons who are eligible for registration as a podiatrist in both Australia and New Zealand. A secondary purpose is to assess the qualifications and skills of overseas trained podiatrists for skilled migration to Australia or eligibility to practice in Australia and New Zealand. A recent expansion of function will see ANZPAC undertaking the accreditation of those courses that aim to produce podiatric surgeons (specialist accreditation) and endorsement for scheduled medicines.

In consideration of the *Trans Tasman Mutual Recognition Act (1997) (Clth)* (TTMRA), the Constitution and processes of ANZPAC include stakeholder representation from New Zealand to encourage collaboration and uniformity.

In accordance with the *Migration Regulations 1994 (Clth)* – regulation 2.26B, the Minister for Education has approved ANZPAC as the assessing authority to conduct skills assessments for prospective migrants in the occupation Podiatrist (ANZSCO 252611).

### **Principal Activities, Objectives and Measures of Performance**

#### Principal Activities

Under the Agreement for the Accreditation Function with AHPRA, ANZPAC is responsible for carrying out the following accreditation functions during the term of the agreement:

#### *Accreditation of programs of study*

- Accrediting programs of study as provided for in section 48 of the National Law;
- Monitoring programs of study as provided for in section 50 of the National Law;
- Submitting reports on programs of study, including monitoring, to the Podiatry Board of Australia;
- Advising the Podiatry Board of Australia if ANZPAC refuses to accredit a program of study; and
- Providing advice to the Podiatry Board of Australia about matters relating to accreditation of programs of study as required.

## Committee Report (continued)

### *Development and review of accreditation standards*

- Developing and reviewing accreditation standards for programs of study leading to a qualification required for registration or endorsement of registration under section 46 of the National Law.

### *Qualifications and skills assessments*

- Assessment of the qualifications and skills of overseas qualified podiatry practitioners for registration in Australia and provide advice to the Podiatry Board of Australia about issues relating to assessment of overseas-qualified podiatry practitioners;
- Conduct competency assessments for podiatrists who hold approved qualifications for registration as a podiatrist and have applied to the Podiatry Board of Australia for registration after an absence from podiatric practice; and
- Conduct assessment of qualifications in podiatric therapeutics to ascertain whether they are substantially equivalent to, or based on similar competencies to, a Podiatry Board of Australia approved qualification in podiatric therapeutics for the purposes of an endorsement for scheduled medicines.

### *Assessment of overseas assessing authorities*

- Assessing authorities in other countries who accredit programs of study relevant to registration in podiatry to decide whether persons who successfully complete the program of study accredited by the authorities have the knowledge, clinical skills and professional attributes necessary to practice podiatry or podiatric surgery in Australia.

### Objectives

That ANZPAC:

- Effectively governs itself and demonstrates competence and professionalism in the performance of its accreditation role;
- Carries out its accreditation operations independently;
- Effectively manages its resources to support its accreditation function;
- Develops robust accreditation standards, which have been set in advance for the assessment of programs of study and education providers;
- Applies the accreditation standards and has rigorous, fair and consistent processes for accrediting programs of study and their education providers;
- Has defined standards and procedures to assess examining and/or accrediting authorities in other countries;
- Has processes to assess and/or oversee the assessment of the knowledge, clinical skills and professional attributes of internationally qualified practitioners who are seeking registration in the profession; and
- Works to build stakeholder support and collaborates with other national and international accreditation authorities including those of other professions.

## Committee Report (continued)

### Strategy for achieving the objectives

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

- Undertaken a process to convert to a company limited by guarantee structure under the Commonwealth *Corporations Act 2001*;
- Submitted a proposal to remain as the accreditation authority for the Podiatry Board of Australia from 1 July 2013 for a period of five (5) years;
- Established an Accreditation Committee to make recommendations to the ANZPAC Board of Management on the accreditation of podiatry programs of study in Australia and New Zealand; and
- Established a Qualifications and Skills Assessment Committee to oversee the assessments of qualifications and skills of individual candidates.

### **Results of Operations**

The deficit of the association for the year ended 30 June 2012 is \$25,856 (2011: surplus \$20,284). This is primarily due to timing of receipt of project funding and their treatment under accounting standards.

### **Review of Operations**

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

#### *Accreditation of programs of study*

In Australia, National Law requires that a course is both accredited by ANZPAC and subsequently approved by the Podiatry Board of Australia before it can be accepted as a qualification suitable for the purpose of registration as a podiatrist. Similarly, ANZPAC reports to the Podiatrists Board of New Zealand (PBNZ) on the accreditation of podiatry programs of study offered in New Zealand.

ANZPAC has a demanding schedule to ensure that the seven Australian podiatry programs of study that transitioned under the National Law as an approved program of study are accredited against the approved accreditation standard for the profession. For the period 1 July 2011 to 30 June 2012, ANZPAC undertook four accreditation site visits to Central Queensland University, Charles Sturt University, University of Newcastle and University of Western Sydney averaging three days in duration. In addition, ANZPAC is managing the initial accreditation of the podiatry program of study at Southern Cross University.

#### *Development and review of accreditation standards*

In addition to the *Accreditation standards and procedures for podiatric programs in Australia and New Zealand (August 2009)* ANZPAC published during the year accreditation standards for podiatric surgery and an accreditation standard for endorsement for scheduled medicines. The Podiatry Board of Australia with ANZPAC has subsequently approved these two standards with funding made available to support the development of resources to support the implementation of these standards.

## Committee Report (continued)

### *Assessment of overseas-qualified podiatry practitioners*

ANZPAC undertakes assessments of internationally qualified practitioners in the following categories:

- Skilled migration to Australia;
- Registration as a podiatrist;
- Scheduled medicines endorsement; and
- Persons returning to practice after an absence from the profession.

Since the introduction of the National Registration and Accreditation Scheme on 1 July 2010, ANZPAC has undertaken more than 100 assessments.

### *Professional Services Development Program (PSDP)*

During 2011 the Professional Services Development Program (PSDP) grant scheme administered through the Educational and Professional Recognition Unit (EPRU) within the Department of Education, Employment and Workplace Relations (DEEWR) provided ANZPAC with two funding grants for exploring mutual recognition for podiatry with various countries. Phase 1 involved mapping of comparable ANZPAC/Health Professions Council United Kingdom (HPC-UK) accreditation standards and processes and competency standards.

Phase 2 involved face-to-face meetings with HPC-UK to establish closer links between ANZPAC and the HPC-UK and other key professional bodies. Outcomes of the meetings were positive, acknowledging the comparability of the UK and Australia/New Zealand accreditation and competency standards as the basis for working towards future mutual recognition agreements. It is hoped that by the end of the 2012 calendar year an ANZPAC/HPC-UK mutual recognition agreement will be established.

A Phase 3 PSDP application for funding will be made in 2012 to support the additional negotiations and further research regarding potential mutual recognition models. It is also proposed that the Phase 3 PSDP application includes further discussions with South Africa who were approached as part of the Phase 1 project and who are now in a position to begin mutual recognition negotiations.

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

The passing of Peter Martin as Executive Officer resulted in the appointment of Rachel Portelli as Executive Officer from 1 February 2012. The principal place of business moved from Adelaide to Melbourne with this change in Executive Officer.

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

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

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

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

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

Apart from the proposed transition from an association to a company limited by guarantee structure, no matters or circumstances have arisen occurring subsequent to the end of the financial year to the date of this report that have significantly affected, or may significantly affect, the operations of the association, the results of those operations, or the state of affairs of the association in future financial years.

## **Committee Report (continued)**

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

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

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

### **Proceedings on Behalf of the Association**

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

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

### **Auditor's Independence**

The auditor's independence declaration is included on page 10 of the annual report.

## Committee Report (continued)

### Board of Management Meetings

| Director        | Board |   | Accreditation |   | QSAC |   |
|-----------------|-------|---|---------------|---|------|---|
|                 | A     | B | A             | B | A    | B |
| R Scharfbillig  | 2     | 2 | 4             | 4 | *    | * |
| A Bird          | 2     | 2 | *             | * | 1    | 1 |
| A Noble-Beasley | 2     | 2 | *             | * | *    | * |
| F Angus         | 2     | 2 | *             | * | *    | * |
| M Carroll       | 1     | 2 | 4             | 4 | *    | * |
| T Johnston      | 2     | 2 | *             | * | *    | * |
| D McKay         | 2     | 2 | *             | * | *    | * |
| F Oliver        | 2     | 2 | *             | * | *    | * |
| J Russell       | 2     | 2 | 4             | 4 | *    | * |

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

A Number of meetings attended

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

QSAC QSAC means the Qualifications and Skills Assessment Committee

Signed in accordance with a resolution of the Officers.



**ROLF SCHARFBILLIG**  
Chairperson



**ADAM BIRD**  
Deputy Chairperson

**5 October 2012**

**AUDITORS' INDEPENDENCE DECLARATION**  
**UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**  
**TO THE DIRECTOR OF**  
**AUSTRALIAN AND NEW ZEALAND PODIATRY ACCREDITATION COUNCIL**  
**INCORPORATED**

We declare that to the best of our knowledge and belief, during the year ended 30 June 2012 there have been:

- (1) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (2) No contraventions of any applicable code of professional conduct in relation to the audit.

**Name of Firm:** ODV Accountants & Financial Services

Certified Practising Accountants

**Name of Director:** \_\_\_\_\_



Frank Scarfo

**Address:** 61 Henley Beach Road, MILE END SA 5031

**Dated this** 28<sup>TH</sup> **day of** SEPTEMBER, 2012

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

|  | Note | Year ended<br>30 June 2012<br>\$ | Year ended<br>30 June 2011<br>\$ |
|--|------|----------------------------------|----------------------------------|
| <b>Revenue and other income</b>                        |      |                                  |                                  |
| Member Contributions                                   | 3    | 103,876                          | 79,698                           |
| Project Grants   | 4    | 43,070                           | 68,250                           |
| Program Accreditation                                  |      | 46,365                           | 47,075                           |
| Overseas Assessments                                   |      | 26,754                           | 24,499                           |
| Competency Assessments                                 |      | 2,860                            | 3,900                            |
| Interest income  |      | 1,516                            | 503                              |
| <b>Revenue and other income</b>                        |      | <b>224,441</b>                   | <b>223,925</b>                   |
| <br>   |      |                                  |                                  |
| Administration expenses                                |      | 64,145                           | 60,345                           |
| Board and sub-committee fees                           |      | 40,256                           | 26,926                           |
| Accreditation expenses                                 |      | 43,950                           | 54,567                           |
| Project expenses                                       |      | 84,360                           | 50,539                           |
| Consultative Forums                                    |      | 4,144                            | 7,886                            |
| Information Technology                                 |      | 5,192                            | 3,378                            |
| Bad debts written off                                  |      | 8,250                            | -                                |
| <b>Expenditure</b>                                     |      | <b>250,297</b>                   | <b>203,641</b>                   |
| <br>   |      |                                  |                                  |
| <b>Surplus before income tax</b>                       |      | <b>(25,856)</b>                  | <b>20,284</b>                    |
| Income tax expense                                     | 2f   | -                                | -                                |
| <b>Net (deficit)/surplus for the year</b>              |      | <b>(25,856)</b>                  | <b>20,284</b>                    |
| <br>   |      |                                  |                                  |
| <b>Other comprehensive income</b>                      |      | <b>-</b>                         | <b>-</b>                         |
| <br>   |      |                                  |                                  |
| <b>Total comprehensive (loss) /income for the year</b> |      | <b>(25,856)</b>                  | <b>20,284</b>                    |

The accompanying notes form part of these financial statements.

## Statement of Financial Position as at 30 June 2012

|                                  | Note | 30 June 2012<br>\$ | 30 June 2011<br>\$ |
|----------------------------------|------|--------------------|--------------------|
| <b>Assets</b>                    |      |                    |                    |
| <b>Current assets</b>            |      |                    |                    |
| Cash and cash equivalents        | 5    | 63,604             | 68,541             |
| Trade and other receivables      | 6    | 28,423             | -                  |
| Other current assets             | 7    | 2,111              | -                  |
| <b>Total current assets</b>      |      | <b>94,138</b>      | <b>68,541</b>      |
| <b>Non-current assets</b>        |      |                    |                    |
| Property, plant & equipment      | 8    | 654                | -                  |
| <b>Total non-current assets</b>  |      | <b>654</b>         | <b>-</b>           |
| <b>Total Assets</b>              |      | <b>94,792</b>      | <b>68,541</b>      |
| <b>Liabilities</b>               |      |                    |                    |
| <b>Current liabilities</b>       |      |                    |                    |
| Trade and other payables         | 9    | 46,888             | 19,781             |
| Accrued income                   | 10   | 25,000             | -                  |
| <b>Total current liabilities</b> |      | <b>71,888</b>      | <b>19,781</b>      |
| <b>Total Liabilities</b>         |      | <b>71,888</b>      | <b>19,781</b>      |
| <b>Net Assets</b>                |      | <b>22,904</b>      | <b>48,760</b>      |
| Accumulated surplus              |      | 22,904             | 48,760             |
| <b>Total Equity</b>              |      | <b>22,904</b>      | <b>48,760</b>      |

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

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

|   | <b>Accumulated<br/>Surplus<br/>\$</b> |
|---|---------------------------------------|
| Balance at 30 June 2010                 | 28,476                                |
| Net surplus for the financial year      | 20,284                                |
| Other comprehensive income for the year | -                                     |
| <b>Balance at 30 June 2011</b>          | <b>48,760</b>                         |
| Balance at 30 June 2011                 | 48,760                                |
| Net (deficit) for the financial year    | (25,856)                              |
| Other comprehensive income for the year | -                                     |
| <b>Balance at 30 June 2012</b>          | <b>22,904</b>                         |

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

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

|   | Note | Year ended<br>30 June 2012<br>\$ | Year ended<br>30 June 2011<br>\$ |
|---|------|----------------------------------|----------------------------------|
| <b>Cash Flows from Operating Activities</b>                             |      |                                  |                                  |
| Receipts from funding bodies  |      | 128,876                          | 79,698                           |
| Receipts from other income  |      | 92,686                           | 170,432                          |
| Payments to suppliers   |      | (227,243)                        | (213,539)                        |
| Interest received   |      | 1,516                            | 503                              |
| Net cash inflow from operating activities                               |      | <u>(4,165)</u>                   | <u>37,094</u>                    |
| <b>Cash Flows from Investing Activities</b>                             |      |                                  |                                  |
| Payments for property, plant & equipment                                |      | <u>(772)</u>                     | <u>-</u>                         |
| Net cash flows used in investing activities                             |      | <u>(772)</u>                     | <u>-</u>                         |
| <b>Cash Flows from Financing Activities</b>                             |      |                                  |                                  |
| Net cash flows used in financing activities                             |      | <u>-</u>                         | <u>-</u>                         |
| <b>Net increase/(decrease) in cash and cash equivalents</b>             |      | (4,937)                          | 37,094                           |
| <b>Cash and cash equivalents at the beginning of the Financial Year</b> |      | 68,541                           | 31,447                           |
| <b>Cash and Cash Equivalents at the end of the Financial Year</b>       | 5    | <u>63,604</u>                    | <u>68,541</u>                    |

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

## Notes to the Financial Statements

| #  | Note   |
|----|--|
| 1  | Corporate Information                          |
| 2  | Summary of significant accounting policies     |
| 3  | Revenue  |
| 4  | Grant income                                   |
| 5  | Cash and cash equivalents                      |
| 6  | Trade and other receivables                    |
| 7  | Other current assets                           |
| 8  | Property, plant & equipment                    |
| 9  | Trade and other payables                       |
| 10 | Accrued income                                 |
| 11 | Economic dependency                            |
| 12 | Related parties and related party transactions |
| 13 | Key management personnel compensation          |

## Notes to the Financial Statements (continued)

### 1 Corporate information

The financial statements are for the Australian and New Zealand Podiatry Accreditation Council (ANZPAC or the council) as an individual entity, incorporated and domiciled in Australia. ANZPAC is an independent body comprising members consisting of the Podiatry Registration Boards in Australia and New Zealand. The financial report was authorised for issue on 5 October 2012.

### 2 Summary of significant accounting policies

#### Basis of preparation

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

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

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

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

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

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

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

The adoption of these Standards has not resulted in any significant impact on the current or prior year financial statements.

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

## Notes to the Financial Statements (continued)

### Accounting Policies

#### (a) Revenue

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

##### Interest Revenue

Revenue is recognised as interest accrues.

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

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

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

#### (c) Cash and cash equivalents

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

#### (d) Trade and other receivables

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

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

#### (e) Trade creditors and other payables

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

#### (f) Income tax

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

## Notes to the Financial Statements (continued)

### (g) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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

### (h) Comparative Figures

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

### (i) Going concern

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

| <b>Note 3: Revenue</b>                            | <b>30 June 2012</b> | <b>30 June 2011</b> |
|---|---------------------|---------------------|
|   | \$                  | \$                  |
| Funding Income – AHPRA                            | 94,549              | 72,068              |
| Funding Income – Podiatrists Board of New Zealand | 9,327               | 7,630               |
|   | <u>103,876</u>      | <u>79,698</u>       |

### Note 4: Grant income

|  |               |               |
|--|---------------|---------------|
| Department of education, Employment and Workplace Relations Health & Ageing: PSDP Mutual Recognition Project | 43,070        | 68,250        |
|  | <u>43,070</u> | <u>68,250</u> |

Funding was received from the Department of Education, Employment and Workplace Relations (DEEWR) under the Professional Services Development Program (PSDP) grant scheme to develop a discussion paper and to establish networks toward establishing mutual recognition with various overseas countries in relation to the comparability of overseas podiatry programs with Australian podiatry programs. This is a 3 stage process with expected completion in 2012/2013.

## Notes to the Financial Statements (continued)

### Note 5: Cash and cash equivalents

|  |        |        |
|--|--------|--------|
| Cash at bank   | 63,604 | 68,541 |
| <b>(a) Reconciliation to cash at the end of the period</b> |        |        |

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

|                                     |        |        |
|-------------------------------------|--------|--------|
| Balance per Statement of Cash Flows | 63,604 | 68,541 |
|-------------------------------------|--------|--------|

### Note 6: Trade and other receivables

30 June 2012

30 June 2011

\$

\$

|                   |               |          |
|-------------------|---------------|----------|
| Trade receivables | 28,423        | -        |
|                   | <u>28,243</u> | <u>-</u> |

#### Doubtful debts

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

### Note 7: Other current assets

|                        |              |          |
|------------------------|--------------|----------|
| Prepaid insurance      | 1,185        | -        |
| Other prepaid expenses | 926          | -        |
|                        | <u>2,111</u> | <u>-</u> |

## Notes to the Financial Statements (continued)

### Note 8: Property, plant & equipment

|                                 | <b>Computer<br/>Equipment</b> |
|---------------------------------|-------------------------------|
| <b>Cost</b>                     |                               |
| Balance at 30 June 2011         | -                             |
| Additions                       | 772                           |
| Disposals                       | -                             |
| Balance at 30 June 2012         | <u>772</u>                    |
| <b>Accumulated depreciation</b> |                               |
| Balance at 30 June 2011         | -                             |
| Amortisation expense            | (118)                         |
| Balance at 30 June 2012         | <u>(118)</u>                  |
| <b>Net book value</b>           |                               |
| Balance at 30 June 2011         | -                             |
| Balance at 30 June 2012         | <u>654</u>                    |

### Note 9: Trade and other payables

|                                | 30 June 2012  | 30 June 2011  |
|--------------------------------|---------------|---------------|
|                                | \$            | \$            |
| <b>Current</b>                 |               |               |
| Trade creditors                | 42,614        | 17,715        |
| Goods and services tax payable | 3,074         | 2,066         |
| Audit fees payable             | 1,200         | -             |
|                                | <u>46,888</u> | <u>19,781</u> |

## Notes to the Financial Statements (continued)

### Note 10: Accrued Income

|  |        |   |
|--|--------|---|
| Australian Health Practitioners Regulation Agency: Endorsement of Scheduled Medicines Project <sup>1</sup> | 15,000 | - |
| Australian Health Practitioners Regulation Agency: Transition to Company Project <sup>2</sup>              | 10,000 | - |
|  | 25,000 | - |

1. Funding was received from the Australian Health Practitioners Regulation Agency (AHPRA) for tasks associated with the development and implementation of two separate registration standards related to endorsement for scheduled medicines. The project will commence in the 2012/2013 financial year.
2. Funding was received from the Australian Health Practitioners Regulation Agency (AHPRA) to assist with the transition of the council to a company limited by guarantee. The project will commence in the 2012/2013 financial year.

### Note 11: Economic dependency

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

### Note 12: Related parties and related-party transactions

**(a) Equity Interests in Related Entities**

ANZPAC does not have any equity interests in related entities.

**(b) Key Management Personnel Compensation**

Disclosures relating to key management personnel compensation are set out in note 13.

**(c) Key Management Personnel Loans**

There are no loans to or from key management personnel.

**(d) Transactions with Key Management Personnel**

Key management personnel have transactions with ANZPAC that occur within a normal employment relationship. There have been no transactions with key management personnel or their related entities.

## Notes to the Financial Statements (continued)

### (e) Transactions with Members of the Association

All transactions with related parties were carried out on an “arms length” basis. Funding income received from the members of ANZPAC during the year is as follows:

|  | 2012<br>\$ | 2011<br>\$ |
|--|------------|------------|
| Australian Health Practitioner Regulation Agency | 94,549     | 72,068     |
| Podiatrists Board of New Zealand                 | 9,327      | 7,630      |
|  | 103,876    | 79,698     |

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

No director or executive has entered into a material contract with ANZPAC (other than the provision for sitting services) since the end of the previous financial year and there were no material contracts involving directors’ interests in existence at year end.

### (g) Key management personnel

The names and positions of those having authority for planning, directing and controlling the ANZPAC’s activities, directly or indirectly, (other than directors) are:

Rachel Portelli                      Executive Officer appointed 1 February 2012

## Note 13: Key management personnel compensation

The aggregate compensation made to directors and other members of key management personnel of ANZPAC is set out below:

|  | Year Ended<br>30/06/12 | Year Ended<br>30/06/11 |
|--|------------------------|------------------------|
| Compensation to directors and other members of key management personnel of the company | 113,552                | 75,223                 |

Where a director is also a member of an accreditation or qualifications and assessment committee, they are entitled to receive ‘sitting fees’ in addition to a reimbursement of any expenses. The sitting fee payments are included in the aggregate compensation amounts above.

## Committee Statement

The officers declare that:

- a) the attached financial statements and notes thereto comply with applicable Australian Accounting Standards and other mandatory professional reporting requirements;
- b) the attached financial statements and notes thereto present fairly the results of the operations of the council for the financial year and the state of affairs of the council at the end of the financial year; and
- c) there are reasonable grounds to believe that the council will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to section 35 (2) (c) of the *Associations Incorporation Act 1985* (South Australia).

On behalf of the committee



**ROLF SCHARFBILLIG**  
Chairperson



**ADAM BIRD**  
Deputy Chairperson

**5 October 2012**

## **INDEPENDENT AUDIT REPORT OF**

### **AUSTRALIAN AND NEW ZEALAND PODIATRY ACCREDITATION COUNCIL INCORPORATED**

#### **Scope**

We have audited the financial statements of the Australian and New Zealand Podiatry Council Incorporated for the period 1 July 2011 to 30 June 2012. We have conducted an independent audit of these financial statements in order to express an opinion on it to the board.

#### **Director's Responsibility for the Financial Report**

The board is responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures include examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements, so as to present a view which is consistent with our understanding of the Association's financial position, the results of its operations and its cash flows. Our audit was limited to the verification of the reported figures in the financial statements. No compliance testing of internal controls and procedures was performed.

#### **Audit Qualification**

Due to the sudden passing of the previous Executive Officer and the subsequent relocation of the office of the Australian and New Zealand Podiatry Council Incorporated interstate, there were some instances where invoices for various expenditure incurred have not been located and could not be sighted as difficulties were encountered by the new Administration Group and Accounting personnel. We note that the amounts paid to the former Executive Officer, after his passing were unrecoverable and the board decided to write them off. For this reason we are qualifying the audit report. We note the amounts in the financial reports subsequent to this period have documentation in place to substantiate the figures. We also note that the Executive Officer is currently addressing the signatories to the Bank Accounts.

The audit opinion expressed in this report has been formed on the above basis.

#### **Independence**

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the

Corporations Act 2001, which has been given to the director of the company, would be in the same terms if given to the director as at the date of this auditor's report.

**Audit Opinion.**

In our opinion, except for the abovementioned qualification

- (a). the financial report of AUSTRALIAN AND NEW ZEALAND PODIATRY ACCREDITATION COUNCIL INCORPORATED is in accordance with the Corporation's Act 2001, including:
  - (i) Giving a true and fair view of the association's financial position as at 30 June 2012 and of its performance for the year ended on that date; EXCEPT for the abovementioned qualification;
  - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

**Name of Firm:** ODV Accountants and Financial Services  
Certified Practising Accountants

**Name of Director:**   
Frank Scarfo

**Address:** 61 Henley Beach Road MILE END SA 5031

**Dated this** 2<sup>nd</sup> day of October, 2012