



AUSTRALIAN
PHYSIOTHERAPY
ASSOCIATION

2013 Annual Report

2013 Annual Report Contents

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OUR VISION

To be a focus of excellence
for the global physiotherapy
community.

OUR BELIEF

All Australians should
have access to quality
physiotherapy, when and
where required, to optimise
health and wellbeing.

OUR MISSION

To evolve into a more
member-centric organisation
that gives value to members
and to support our belief.



National President's Report

I feel incredibly fortunate to be the chair of the APA Board of Directors during a time when we are able to progress issues that matter to physiotherapists and the APA.

I am indebted to those who led the Association before me and positioned it to be able to take advantage of the current circumstances. The stable leadership and structure that has come about from previous work on governance has allowed us to be more agile in responding to issues. The culture of strategic leadership that has been developed has allowed us to be more future-focused. The stable financial position has allowed us to make some investments in member value, knowledge and voice.

Member insurance

It would be difficult to list 2013's highlights without starting with the APA member insurance package, which could potentially save the profession \$5 million per year. It is difficult to convey to people who haven't been on the journey with us just how long we have wanted this to be a part of membership. We are thrilled that professional indemnity and public liability insurance now form a core pillar of membership for 2014 and beyond.

Reconciliation

The APA developed its first Reconciliation Action Plan, focusing on supporting physiotherapists' contributions to closing the gap for Aboriginal and Torres Strait Islander peoples.

Campaigns and projects

There have been several notable campaigns and projects in 2013: our work with private health funds to review the HICAPS codes for physiotherapists (to ensure the new HICPAS codes

will provide clear guidance for health funds when processing physiotherapy treatment claims); our successful negotiation with HBF for the recognition of specialist and titled physiotherapists in the area of continence and women's health; our work surrounding the Living Longer, Living Better reform package (which included submissions, meeting with alliances and holding discussions with a range of political actors to reinforce the role of physiotherapists for older Australians); our close involvement with the National Disability Insurance Agency as part of our commitment to the full implementation of the National Disability Insurance Scheme; and our ongoing and extensive work with Health Workforce Australia during the consultation process of the Health Professionals Prescribing Pathway.

Shifting attention to the public sector, we engaged with state and commonwealth governments, departments and organisations in an effort to work towards greater scope and roles for physiotherapists. A key project that was finalised after a large degree of work in 2013 is our establishment of a career structure framework to provide public sector physiotherapists with a career pathway model that aligns with APA educational, titling and specialisation standards.

Public engagement

An additional component of our work related to our voice has been the way that we position the profession in the minds of the public. We are a unified profession but we are not

a homogeneous one, so the APA's strategy is to build an overarching identity or brand for the profession. Some of our activities in 2013 that aimed to do this included the creation of the short film *Improve your move*, the 'i ♥ my physio' competition, and a series of large-scale, online advertising campaigns.

InPractice 2025

Another highlight of last year was our InPractice 2025 project—a great exemplar of the future-focused culture we want to encourage in the provision of physiotherapy services. It helped identify eight strategic drivers that will shape future practices, and six key features.

Professional development

In terms of knowledge, the take up of APA professional development has continued to grow strongly. We had more than 34,000 attendances for in-person or electronic events, of which the highlight was the *New Moves* APA conference, with more than 2200 delegates from 25 countries.

From 2014, in its 60th year, the *Journal of Physiotherapy* will adopt an online open-access model. This will have benefits for the journal's reputation, for submitting researchers, and in maintaining the reputation of Australian physiotherapy as world-leading.

Supporting our neighbours

We continued to take a leadership role and support the profession in countries within the Asia–Western Pacific region of the World

Confederation for Physical Therapy. We further strengthened our relationship with countries where the profession is further developed, planning a memorandum of understanding with the Hong Kong Physiotherapy Association.

Vale Stephen Kelly

APA Board member Stephen Kelly passed away on 19 January 2014 after a battle with illness. Steve's direct, optimistic style led to him being much respected and admired by his colleagues, and all in the profession who came into contact with him. His incisive analysis and financial skills made him an invaluable contributor to the APA. He was a key champion of a number of recent APA reforms and he helped to mature the culture of leadership of the APA and emboldened us in driving to achieve our mission.

I would like to acknowledge the work of my colleagues on the Board of Directors, office bearers and engaged members, and the tireless work of CEO Cris Massis and the team, who strive to deliver great member service every day.

Marcus Dripps, APAM
APA National President

STABILITY

The stable financial position has allowed us to make some investments in member value, knowledge and voice.



Chief Executive Officer's Report

Being the CEO of an organisation that is steeped in 108 years of history is humbling, rewarding and challenging. My three-year tenure at the APA has been a journey focused on remaining relevant in a constantly changing world.

The role of a membership-based professional association is rapidly changing. Where once associations assumed that members would 'remain for life', nowadays this is not the case.

Stakeholder expectations

The expectations of stakeholders have heightened: members seek greater value, consumers seek validation, governments seek professional opinion, and education institutions seek meaningful relationships.

Further to this, the emergence of technology and digitisation has changed the way people consume their daily information. Who would have thought that a 140-character message would have more cut-through and power than a magazine article, media release, essay or opinion piece?

Addressing challenges

As I overlay where the APA stands with respect to these 'macro forces', I am proud to say that we are taking the challenges head on.

For instance, by the end of 2013, the APA had implemented an insurance offer included in the APA membership subscription; conducted a paperless, digital conference with speakers 'beamed in' from the UK; introduced a world-first open-access *Journal of Physiotherapy*; developed viral marketing campaigns targeting users of physiotherapy services; held Twitter, Facebook, LinkedIn

and YouTube accounts with over 16 800 followers—more than our membership; included non-physiotherapists on the Board of Directors; and offered free monthly webinars, each attracting around 2000 delegates.

Strategic plan

Our strategic objectives are crystal clear: (1) deliver services in line with the needs of the membership—member value; (2) become the organisation of choice for quality learning and professional development services—member knowledge; and (3) ensure the APA is influential with key health and policy decision makers in Australia—member voice.

As we enter the final year of the current Strategic Plan in 2014, we must critically review our progress and determine the priorities for the APA given the shifting internal and external drivers of physiotherapy.

Towards the future

There are a number of themes that have emerged throughout 2013 that will influence our thinking in 2014. These include the APA being the architect and leader in driving the future of the profession; exploring further digitisation options to integrate into a digital strategy; the continued enhancement of our consumer focus; greater visibility with international opportunities around capability building, professional development, membership, and

offshore alliances; and promoting greater exposure in safety, quality and excellence.

The APA is in a very strong position to grasp these opportunities now and into the future.

I formally acknowledge the 700-plus engaged members on various committees, chapters, councils and working groups: your energy, enthusiasm and passion for making Australian physiotherapy the best in the world is commendable.

I thank National President Marcus Dripps and the Board of Directors for their support and the courage and tenacity they have shown in striving to achieve a member-centric organisation.

Finally, I applaud and attribute our success in 2013 to the tireless work done for APA members by the 65 staff around the country that make the organisation operate on a day-to-day basis.

I look forward to a bigger and better year for the APA in 2014.

Cris Massis
APA Chief Executive Officer

EXPECTATIONS

Members seek greater value, consumers seek validation, governments seek professional opinion, and education institutions seek meaningful relationships.

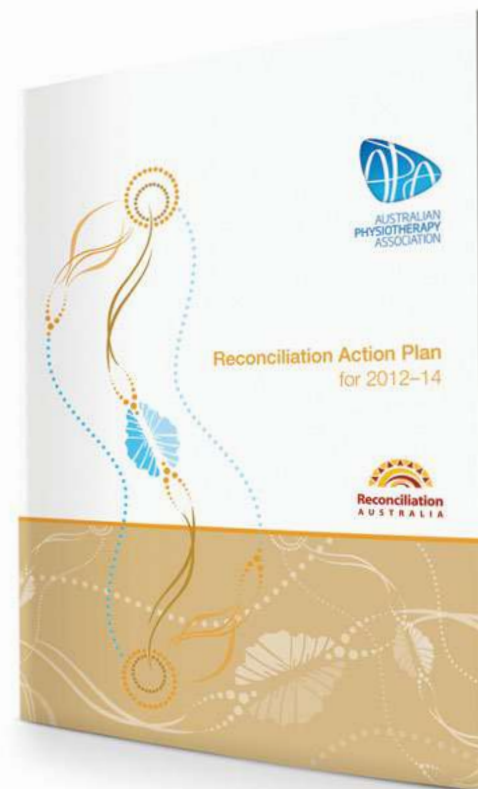
2013 Year in Review

In 2013, the APA engaged in many activities underpinned by the strategic pillars of member voice, value and knowledge. Here is a brief summary of key initiatives, projects, and campaigns, plus some statistics that reflect a successful year for the Association.

Reconciliation Action Plan

With a vision that Aboriginal and Torres Strait Islander peoples have equitable access to physiotherapy to help Close the Gap in life expectancy between Aboriginal and Torres Strait Islander peoples and the rest of Australia, the APA launched its RAP:

- endorsed by Reconciliation Australia
- three key areas: relationships, respect and opportunities
- encourage greater understanding and knowledge of Aboriginal and Torres Strait Islander culture, land and history
- provide opportunities to Aboriginal and Torres Strait Islander peoples to train as physiotherapists, and to receive physiotherapy treatment



Member insurance

Forming part of the 2014 membership package, the APA unveiled its Member Insurance Program, the most transformative member service in its history:

- underwritten by Lloyd's of London
- \$20 million professional indemnity and public liability cover
- full scope of physiotherapy practice covered
- zero excess
- full compliance with Physiotherapy Board of Australia registration requirements
- 24/7 expert claims service
- regular expert policy review

Key projects

The APA worked on several projects in collaboration with various stakeholders, achieving good results for APA members:

- a review of the HICAPS codes offering clearer guidance for health funds in processing physiotherapy treatment claims
- recognition of, and higher service fees for, specialist and titled continence and women's health physiotherapists by HBF
- approval for a non-medical prescribing pathway after working with Health Workforce Australia
- the appointment of two prominent APA members to the NDIS practitioner expert panel to advise on appropriate support for an individual's disability
- successful lobbying of politicians to reinforce the role of physiotherapists in helping older Australians remain and receive care at home.

MEMBER INSURANCE

Forming part of the 2014 membership package, the APA unveiled its Member Insurance Program, the most transformative member service in its history.

2013 Year in Review cont'd

InPractice 2025

The APA commissioned a comprehensive report examining what a physiotherapy practice will look like in 12 years' time:

Eight strategic drivers that will shape the health industry:

- changing population health needs
- heightened consumer expectations
- new models of care
- advances in information and communications technology
- increased competition
- health system reforms
- economic uncertainty
- changing workforce

Six key ingredients that practices must incorporate to thrive:

- a broader range of services
- consumer and outcomes-focused
- responsive to the needs of a changing workforce
- equipped with business acumen
- connected with technology
- a partner in teaching, training and research

Campaigns

The APA concentrated on raising the profile of physiotherapy by generating and facilitating many media campaigns, including:

Tradies National Health Month

- APA members visited worksites to promote the importance of full body health and safety
- registered tradies: 98 226
- 38 high-level media stories generated
- 1 million people reached via a multi-channel advertising campaign including TV, radio, print and digital

End Violence Against Women

- \$10 000 raised to go towards UN Women Australia to help end violence against women in the region
- Marcus Dripps represents physiotherapists as a White Ribbon ambassador

World Continance Week

- 1102 media stories shared in Australia and globally

The Improve Your Move

- short film outlining the scope and benefits of physiotherapy to consumers
- viewed 28 000 times
- shared on websites and social media from Slovakia to Las Vegas
- continues to provide great marketing for physiotherapists
- to consumers



Tradies got the health message in 2013.

i ♥ my physio competition

The winner, Cairns physiotherapist Hannah Sealby, APAM, was nominated by retiree Mike Schramm after she helped him overcome a life of disability stemming from a crushed sciatic nerve.

- 256 entries from across all states and territories
- media coverage: Cairns Post, ABC North Queensland and Seven News Queensland
- total reach (including unique page visits, circulation, audience): 75,758



Mike Schramm loved the work of his physio, Hannah Sealby.

Furthering knowledge

The APA organised numerous **courses, lectures, workshops,** and other **event forums** for members:

total event types:

718

total registrations:

34 385

National Group webinars:

12

registrations:

1 830

most popular:

Conservative rehabilitation strategies for managing knee OA

Free Member Value Webinars:

10

registrations:

12 160

most popular:

The podiatrist's role in lower limb pathology and dysfunction

2013 APA Conference

The **New Moves** theme reflected the cutting-edge physiotherapy research, knowledge, and clinical practice insights delivered by prominent Australian and international researchers and clinicians;

2206
delegates

25
countries represented

Almost
600
speakers

Almost
600
submitted abstracts

15
physiotherapy streams

536
registrants for
12
pre-conference workshops

85%
of delegates surveyed agreed or strongly agreed that the sessions were of a high standard

Governance

The Australian Physiotherapy Association is a not-for-profit company limited by guarantee. Subject to the Corporations Act, the APA operates under a Constitution, which was last amended in April 2013. The APA Constitution is available at physiotherapy.asn.au.

The APA Board of Directors has responsibility for the control and direction of the affairs of the Association. All members of the Board are elected by the National Advisory Council. Board members serve a three-year term, and may serve no more than six consecutive years on the Board except in circumstances where Board members are elected to the position of President or Vice President.

The Board is supported in its governance function by the National Advisory Council, Branch Councils, National Group committees, the Australian College of Physiotherapists, the Journal of Physiotherapy Editorial Board, the National Professional Standards Panel, and the Physiotherapy Research Foundation.

National Advisory Council

Chair

Leanne Bisset

National Group representatives
Acupuncture and Dry Needling
Libbie Nelson

Animal
Katrina Varcoe-Cocks

Aquatic
Dianna Howell

Business
Jenny Aiken

Cardiorespiratory
Elisabeth Pilgrim

Continence and Women’s Health
Anne Andrews

Educators
Sara Carroll

Gerontology
Jane Louis

Leadership and Management
Debbie Schulz

Musculoskeletal
Judith Henderson

Neurology
Deborah Carrera

Occupational Health
Michael Roberts

Paediatric
Jan Redman

Sports
Ross Clifford

Branch representatives
Australian Capital Territory
Phil Cossens

New South Wales
Chris Barnett

Northern Territory
Karen Schneider

Queensland
Tracy Spencer

South Australia
Dianne Wilson

Tasmania
Robyn Sheppard

Victoria
Rob LoPresti

Western Australia
Tim Barnwell

Other representatives
Australian College of Physiotherapists
Quentin Scott

Rural
Dan Mahony

Students
Jessica Lees

Branch presidents

Australian Capital Territory
Jason Whittingham

New South Wales
Tamer Sabet

Queensland
Richard Newsham-West

South Australia
Claire Baldwin

Tasmania
Emma King

Victoria
Bridget Shaw

Western Australia
Tim Barnwell

National Group and Network chairs

Acupuncture and Dry Needling
Paula Raymond-Yacoub

Animal
Brooke Marsh

Aquatic
Heather Bond

Business
Darrin Neumann

Cancer, Palliative Care and Lymphoedema
Tanya Trevena

Cardiorespiratory
Ruth Dentice

Continence and Women’s Health
Sonia Scharfbillig

Educators
Liz Molloy

Emergency Department
Katherine Maka

Gerontology
Stephanie Fu

Leadership and Management
Adam Govier

Musculoskeletal
James Debenham

Neurology
Paul Bosisto

Occupational Health
Richard Fuller

Orthopaedic
Brett Baxter

Paediatric
Emily Ward

Sports
Aidan Rich

Entity chairs

Australian College of Physiotherapists
Peter Fazey (President)

Journal of Physiotherapy
Robert Herbert

National Professional Standards Panel
Ian Edwards

Physiotherapy Research Foundation
Marcus Dripps

Advisory committee chairs

Education
Narelle Patton

Indigenous Health
Christopher Lane
Marilyn Morgan

National Rural Issues
Petra Boverly-Spencer

Scope of Practice
Lorraine Sheppard

Financials

Detailed Income & Expenditure Statement

for the year ended 31 December 2013

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Income		
Membership		
Members' subscriptions	7,132,604	6,574,941
Publications		
Advertising—APA publications & internet	759,672	809,475
Advertising—JOP	39,240	54,847
Net sales	33,023	44,312
	831,935	908,634
Other Income		
JOP non-member subscriptions	2,988	4,857
Commissions, sponsorships & endorsements	320,226	976,947
Professional development & conference contributions	1,285,778	869,756
Interest received	85,650	91,710
Profit on sale of non-current assets	–	(49)
Rent	91,812	125,970
Sundry	302,038	185,296
	2,088,492	2,254,487
Total Income	10,053,031	9,738,062

Expenses

Staff		
Honoraria	239,592	224,670
Salaries & wages	4,611,567	4,375,842
Secretarial assistance & contractors	5,652	–
Superannuation	409,480	387,860
Staff training	20,971	43,542
Staff recruitment	4,974	35,996
Staff amenities	36,645	33,561
Fringe benefits tax	11,279	20,234
Provision for annual leave	24,552	56,479
Provision for long service leave	47,262	39,943
Payroll tax	233,662	218,748
Workers' compensation	21,680	24,534
People strategy	26,964	–
Employee wellbeing	4,500	9,602
Payroll processing	13,055	12,560

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Expenses (cont'd)		
Other	6,738	1,522
	5,718,573	5,485,093
Professional Services		
Accounting	3,300	4,000
Audit	24,000	23,310
Consultants fees	93,083	115,253
Legal fees	35,702	18,732
	156,085	161,295
Information and Education		
Public relations	264,835	104,620
Membership expenses	415,015	161,340
Journal	164,155	186,704
Subscriptions	128,503	60,111
Travel & meetings	408,327	466,518
Members' publications	514,925	609,091
	1,895,760	1,588,384
Marketing		
Marketing	325,396	96,342
	325,396	96,342
Information Technology		
Consultant fees	142,845	120,565
IT expenses	109,905	89,683
Computer software, maintenance & rental	76,259	344,867
Depreciation	100,081	113,131
Amortisation	22,747	30,889
	451,837	699,135
Property and Equipment		
Body corporate fees	74,613	66,868
Cleaning	44,752	51,684
Depreciation	216,276	222,490
Security services	2,446	2,774
Light & power	80,431	79,428
Rates & taxes	40,538	32,057
Rent & storage	429,442	458,344

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Hire of office equipment	36,613	36,443
Motor vehicle expenses	10,104	11,448
Insurance	42,207	51,222
Repairs & maintenance	43,435	30,763
Amortisation	6,962	7,083
	1,027,819	1,050,604
Finance		
Bad & doubtful debts	–	(8,212)
Bank fees	134,895	126,180
Interest paid	30,799	56,303
	165,694	174,271
Office Administration and General		
Donations	65,000	30,368
Postage & delivery	27,592	35,992
Printing & stationery	36,200	47,358
Telephone	102,774	95,612
Sundry	31,348	4,160
	262,914	213,490
Total Expenses	10,004,078	9,468,614
Operating Surplus before Income Tax	48,953	269,448
Investment property revaluation	(10,000)	(15,000)
Total Surplus before Income Tax	38,953	254,448
Income tax benefit	241,917	211,724
Total Surplus after Income Tax	280,870	466,172

Directors' Report

STRATEGIC PILLARS

- Member Value
- Member Knowledge
- Member Voice

Directors' Report

The Directors present their report on the Australian Physiotherapy Association and controlled entities for the year ended 31 December 2013. The names of the directors in office and their relevant qualifications, experience and special responsibilities at the date of this report are as follows.



Marcus Dripps, APAM, National President
BPhty

Marcus Dripps is a physiotherapist based in Geelong, Victoria. He is the CEO of Corio Bay Health Group, the largest multidisciplinary sports medicine group in regional Victoria. He continues to be an active clinician, and has a clinical interest in occupational health and adolescent sporting injuries. He has business interests in health information technology and clinical education.

Marcus has been a member of the Board of Directors of the Australian Physiotherapy Association since 2007, and has been appointed National President for 2013–2014. He is a clinical advisor to the Transport Accident Commission and Worksafe Victoria, and chairs the Victorian Health Minister's advisory council on Allied Health.

Marcus has been a member of the Board of Directors at Barwon Health, the public health service in the Geelong region, since 2008. He chairs their Primary Care and Population Health group.

Special responsibilities:

- Chair, Board of Directors
- PRF Management Committee, Director and Corporate Trustee



Shane Patman, FACP, National Vice President
Specialist Cardiorespiratory Physiotherapist (as awarded by the Australian College of Physiotherapists in 2009), GAICD, PhD, MSc, GradCertUniTeaching, BAppSc(Physio)

Shane Patman has solid experience in clinical leadership and management. Currently he works as an associate professor coordinating the cardiorespiratory stream within the School of Physiotherapy at The University of Notre Dame Australia. Clinically, Shane also works in the intensive care unit at Fremantle Hospital.

Shane joined the Board of Directors in 2009, and in 2013 commenced a term as vice chair. Additionally, in 2013 Shane was a member of the CRPA Clinical Standards Committee, the Board of Censors of the Australian College of Physiotherapists, the Accreditation Committee of the Australian Physiotherapy Council,

and on the WA Board of the Physiotherapy Board of Australia. He is a past chairperson of Cardiorespiratory Physiotherapy Australia (CRPA) and was the CRPA representative to the National Advisory Council from 2003 to 2008.

Since 2011, Shane has been the inaugural president of the International Confederation of Cardiorespiratory Physical Therapists, a WCPT subgroup.

Special responsibilities:

- Vice Chair, Board of Directors
- Chair, Nominations and Remuneration Committee
- PRF Management Committee, Director and Corporate Trustee



Melissa Locke, FACP, Immediate Past President
Specialist Paediatric Physiotherapist (as awarded by the Australian College of Physiotherapists in October 2008), BPhty

Melissa Locke is a paediatric physiotherapist working in private practice in Brisbane. She holds an adjunct associate professorship at Griffith University on the Gold Coast and is

on the university's Curriculum Advisory Panel. Melissa holds board positions on the Australian Physiotherapy Council and the GRT Foundation, a not for profit based in Queensland. She is a member of the Australian Institute of Company Directors.

Melissa was elected to the APA Board of Directors in 2007, became vice chair in 2009 and took on the chairing role in 2011–2012. In 2013 she sat at the table as immediate past president.

Special responsibilities:

- Representative, World Confederation for Physical Therapy



Darren Beales, FACP
Specialist Musculoskeletal Physiotherapist (as awarded by the Australian College of Physiotherapists in 2008), PhD, MManipTher, BSc(Physio), GAICD

Darren Beales worked in rural Western Australia and the USA before returning to Perth in 2000 and completing the Master of Manipulative Therapy program at Curtin University in that year. He gained fellowship of the Australian College of Physiotherapists

Directors' Report

cont'd

as a Specialist Musculoskeletal Physiotherapist in 2008, and had his PhD from Curtin University conferred in 2009. Darren currently works as a specialist physiotherapist in private practice, which includes acting as a consultant for a variety of private and public insurance providers. He also holds a NHMRC Research Fellowship at Curtin University.

Darren's current interests centre on improving the understanding of the biopsychosocial nature of pain disorders from a lifespan perspective, and to facilitate integration of this knowledge into clinical practice and public policy.

In addition to his position on the Board of Directors, he is an inaugural facilitator of the specialisation pathway for future specialist musculoskeletal physiotherapists at the Australian College of Physiotherapists.



Phil Calvert, APAM
MPhty, BAppSci(Physio), GradCert(Mgt), GAICD

Phil Calvert graduated from the University of South Australia with a Bachelor of Applied Science (Physiotherapy) degree in 1997. He has also completed a Master of Physiotherapy degree and a Graduate Certificate in Health Service Management from Flinders University.

Phil currently works as Regional Manager of Physiotherapy for the Women's and Children's Hospital, Adelaide, which is the tertiary paediatric and women's health service for South Australia and the Northern Territory. He consults in private paediatric practice in Adelaide and holds an adjunct lecturer appointment with the University of South Australia.

With experience as a South Australian branch councillor and treasurer for the APA, Phil has also been a member of the National

Advisory Council. He is a member of both the Paediatric and Physiotherapy in Leadership and Management national groups.

Phil is committed to the development of younger and emerging leaders within physiotherapy and ensuring the APA continues to provide strong leadership for the profession.



Stephen Kelly
BBus, FAICD, CPA

Stephen Kelly commenced as Chief Financial Officer of Southern Cross Media in 2010. He spent his early career in the accounting profession, before taking on finance and management roles in a number of banks and insurance companies, and later becoming Director of Financial Consulting for KPMG in South Australia.

Steve then became CFO and Company Secretary for Venture Asia Pacific, an American private automotive supplier, and later moved to Michigan, USA to become Vice-President Finance for the group. Steve progressed to an executive VP position where he led the development of all business with a major global customer from a marketing, commercial and operational perspective, culminating in his appointment to Ford's Business Leadership Supplier Board.

Upon returning to Australia in 2002, Steve became the CFO of Globe International and in 2005 he became CFO of SMS Management & Technology. Steve has managed IT departments and large scale acquisitions. He is a Certified Practising Accountant and a Fellow of the Australian Institute of Company Directors.



Liisa Laakso, APAM
BPhty(Hons), PhD, GCMgmt(QH), MAICD

Liisa Laakso has worked across a spectrum of clinical practice, including private and public sectors. Although now in full-time academe, she continues to do consultancy clinical work.

Liisa graduated with a PhD from The University of Queensland in 1995 (receiving a Menzies Scholarship) and completed her Graduate Certificate in Management (QH) from Queensland University of Technology in 1999. She is an APA Gold Member and member of the Educators, Physiotherapy Leadership and Management, Cardiorespiratory, and Sports APA national groups, and the Cancer, Palliative Care and Lymphoedema network. Since 2002, Liisa has worked at Griffith University where she is Associate Professor and Head of Physiotherapy in the School of Allied Health Sciences.

Liisa serves on the Australian Physiotherapy Council panel of reviewers, and she is President of the Council of Physiotherapy Deans Australia and New Zealand, President of the World Association for Laser Therapy, and Vice-President of the Australian Medical Laser Association. Liisa is also on the board of the WCPT International Society for Electrophysical Agents in Physical Therapy.

- Special responsibilities:**
- Board champion, Reconciliation Action Plan



Louise McCann
Master of Management (MGSM), FAICD, FAIM, FRSA

Louise McCann has more than 25 years' experience in the media, publishing, market research, and technology sectors in Australia, Asia Pacific and abroad. She is currently a Non-Executive Director of ASX listed iiNet Limited where she is a member of the Audit and Risk committee and Chairman of the Remuneration and Nominations committee; she is also Chairman with the CEO Institute.

Louise has experience as the former CEO for Asia of Hall & Partners, a global brand and communication research company and also as a Chairman and CEO at Research International (ANZ). She was the CEO of OzTAM Pty Ltd and has served as the Industry President and Vice President for The Association of Market and Social Research Organisations as well as Director for the International Advertising Associations Australian Chapter and was also a Non-Executive Director of The Brain Bank.

Louise has held senior executive positions with the Ten Network, Dawson Magazines and senior production positions with the Australian Broadcasting Corporation.

- Special responsibilities:**
- Chair, Audit and Risk Committee



Darren Rivett, APAM
PhD, MAppSc(ManipPhty), GradDipManipTher, BAppSc(Phty), MAICD

As Head of the School of Health Sciences, The University of Newcastle, Darren Rivett manages programs covering 11 professions including physiotherapy, occupational therapy and medical radiation science.

Darren led the development, implementation and quality review processes of the new Discipline of Physiotherapy and the

inaugural physiotherapy program at The University of Newcastle from 2001 to 2007. He lectured and was a clinical educator at undergraduate and postgraduate levels at the University of Sydney (1986–1992) and the University of Otago in New Zealand (1994–2001). Darren was also the principal of two private practices in Sydney from 1984 to 1993.

Subsequent to his term as national chairperson for the APA Musculoskeletal group (2007–2011), Darren was the group's international delegate in 2012. With involvement in numerous professional committees and boards in Australia and internationally over 23 years, Darren brings invaluable experience from membership of the APA Governance Review Task Group (2010–2011), and the Standards Committee of the International Federation of Orthopaedic Manipulative Physical Therapists, a WCPT subgroup (2006–2011).



Katie Vine, APAM
MSportsPhty, GradCertSportsPhty, BAppSc(Phty)

Katie Vine works in the emergency department at Canberra Hospital as an extended scope of practice physiotherapist (in training). In addition to this clinical role, she continues as a project officer with the Health Workforce Australia Expanded Scope of Practice Project, investigating and implementing extended scope of physiotherapy roles across Australia. She holds a Graduate Certificate and Master of Sports Physiotherapy from La Trobe University and continues academic pursuits in extended scope of practice modules.

Katie's APA involvement stretches back to 2002, when she became active as a CSU Student group member. Her representative roles continued up to 2007 when she was appointed ACT Vice President and PD Coordinator. Throughout 2010, as ACT Branch President, Katie was also Territory chair of

Directors' Report

cont'd

the newest APA national identity, the Emergency Network.

Katie was awarded the APA's Award for Professional Excellence five years in a row, between 2008 and 2012. She has displayed a commitment to, and passion for, physiotherapy and the APA throughout her career.

		Meetings Attended	Meetings Total
Darren John BEALES	Director	6	7
Phil Grayson CALVERT	Director	5	7
Marcus James DRIPPS	Director	7	7
Stephen Denis KELLY	Independent Director	5	7
Liisa LAAKSO	Director	5	7
Melissa Anne LOCKE	Director (Resigned 31/12/2013)	6	7
Louise MCCANN	Independent Director	7	7
Shane Michael PATMAN	Director	7	7
Darren Anthony RIVETT	Director (Appointed 1/1/2013)	6	7
Katie VINE	Director (Appointed 1/1/2013)	7	7

All directors except the independents hold tertiary qualifications in physiotherapy and are members of the Australian Physiotherapy Association.

Objectives of the Australian Physiotherapy Association

The Australian Physiotherapy Association is a not-for-profit company limited by guarantee. The APA is bound by the terms of its Constitution, part two of which outlines the objectives of the Association.

The objectives are broad and permit the Association to engage in a wide range of activities focused on members, member services, advocacy, education and quality.

A strategic plan was prepared for the period 2012–2014 and outlines three strategic pillars and two primary foundations to be addressed during the life of the plan. These are:

Strategic pillars

- Member value
- Member knowledge
- Member voice

Primary foundations

- Marketing and communications
- Organisation capability

Strategy for achieving objectives

The APA prepared a series of operational plans to help deliver the objectives of the organisation. The operational plans provided the strategic backbone of activity throughout 2013. The plans highlighted the following goals.

Member value

Ensure that physiotherapists recognise that the APA delivers the services they require.

Sub-objectives

- 1.1 Review and reorient the organisation to provide a suite of flexible and relevant member services with an attractive pricing structure to meet the needs of a diverse membership
- 1.2 Develop a customer service ethos where members receive accurate, timely, and relevant services and information
- 1.3 Foster a culture of innovation and entrepreneurship to develop new services, and review the portfolio of services provided annually to ensure that only relevant services continue
- 1.4 Explore and implement the optimal use of technology to meet members' changing needs and expectations, and to increase the efficiency of the organisation
- 1.5 Develop effective member-focused communication mechanisms that ensure the APA membership is well informed
- 1.6 Enable members to access relevant research
- 1.7 Establish systems to ensure the organisation seeks and

analyses regular feedback on APA services from new, ongoing and exiting members, and then acts upon that input

- 1.8 Develop transparent and optimal processes for consultation with engaged members on key health policy and organisational decisions
- 1.9 Ensure adequate resources are allocated to member value projects and initiatives
- 1.10 Continue to improve capacity to operate in a socially, environmentally and culturally sensitive manner

Member knowledge

Become the organisation of choice for quality learning and professional development services.

Sub-objectives

- 2.1 Develop an efficient and effective member Lifelong Learning Pathway plan
- 2.2 Implement the plan (from student to specialist) to meet the diversity of APA members' needs
- 2.3 Create opportunities and deliver learning activities for Australian physiotherapists that are globally accessible, regardless of location
- 2.4 Deliver innovative, consistent and high-quality learning activities
- 2.5 Create partnerships to enhance the scope of quality learning activities available
- 2.6 Provide access to knowledge that supports physiotherapy clinical excellence

- 2.7 Create mechanisms for members to facilitate knowledge sharing and knowledge transfer

Member voice

Ensure the APA is influential with key health and policy decision-makers in Australia and internationally.

Sub-objectives

- 3.1 Focus advocacy efforts on Australian health and community priorities
- 3.2 Advocate for government funding mechanisms to ensure physiotherapists can provide quality services to all Australians
- 3.3 Strengthen advocacy activities for public and community sector physiotherapists
- 3.4 Work in partnership with other key organisations in Australia and internationally on common strategic issues
- 3.5 Strengthen relationships with state and federal governments and health and community sector stakeholders to build awareness of physiotherapy, and APA policy positions
- 3.6 Support engaged members to be effective advocates for physiotherapy and APA policies to improve patient outcomes
- 3.7 Assist members to gain more influence in the health system
- 3.8 Communicate regularly to members about advocacy activity and success
- 3.9 Increase awareness of the benefits of physiotherapy among the general public in an ongoing manner

Directors' Report

cont'd

3.10 Support the work of the World Confederation for Physical Therapy (WCPT) to promote the profession internationally

Key performance indicators and actions were documented in each operational plan, ensuring alignment and accountability.

In addition to the operational plans, individual performance plans were agreed to by each staff member, highlighting performance and behavioural expectations. These individual performance plans were prepared in April, reviewed in July and a final appraisal took place in December.

To ensure continued strategic alignment and focus, the organisational scorecard continued in 2013.

Organisational scorecard

The 2013 organisational scorecard was again divided into the three strategic pillars, two foundation areas and strategic initiatives. There were 10 metrics to measure and three strategic initiatives for completion.

Each of the 10 metrics was scored out of 10. A score of 5 was awarded for reaching target and a score of 10 was awarded for reaching the 'stretch' target.

Metrics were weighted accordingly.

The strategic initiatives for completion were measured on a qualitative basis by management and endorsed by the Board.

Member value

KPI	Metric	2013 target	2013 stretch	2013 actual	Score	Weighting
1	Membership revenue	\$6.84m	\$6.95m	\$7.13m	10/10	20%
2	Member satisfaction	78%	80%	72%	0/10	5%
3	Market share	48%	50%	49.1%	5/10	2.5%
4	Final year conversion	82%	85%	80.4%	0/10	5%
Sub-total					22.5/35	

Member knowledge

KPI	Metric	2013 target	2013 stretch	2013 actual	Score	Weighting
5	Conference delegates	1,800	2,000	2,234	10/10	20%
6	PD registrations	28,000	30,000	30,693	10/10	5%
7	PD satisfaction	77%	79%	78%	5/10	2.5%
Sub-total					27.5/30	

Member knowledge (See strategic initiatives)

Marketing and communication

KPI	Metric	2013 target	2013 stretch	2013 actual	Score	Weighting
8	Website traffic	50,000 p/m	55,000	55,711	10/10	5%
Sub-total					5/5	

Organisational capability

KPI	Metric	2013 target	2013 stretch	2013 actual	Score	Weighting
9	Non membership revenue	55%	55.5%	53.8%	0/10	10%
10	Travel and meeting cost efficiency	\$480k	\$470k	\$430k	10/10	10%
Sub-total					10/20	

Strategic initiatives

KPI	Item	Item
1	Consumer marketing campaign	Multiple campaigns including Tradies National Health Month, Find a Physio competition, i ♥ my physio competition, <i>Improve Your Move</i> video and End Violence Against Women.
2	Advocacy issues campaign	Large campaign to generate awareness of physiotherapy treatment for continence issues. This included a website, a video, more resources, and media work.
3	<i>Journal of Physiotherapy</i> project	The JoP will be digital only Open Access as of 2014.
Sub-total		10/10

Metric

Member value	22.5% out of 35%
Member knowledge	27.5% out of 30%
Marketing and communication	5% out of 5%
Organisational capability	10% out of 20%
Strategic initiatives	10% out of 10%
TOTAL SCORE	75%

Result

The consolidated surplus for the year after income tax was \$280,870 (2012 surplus of \$466,172). The surplus includes activities of Branches and National Groups of the Association, and the controlled entities, Australian Physiotherapy Services Pty Ltd and Physiotherapy Australia Pty Ltd.

Review of operations and future developments

The Association provided leadership and unified representation of the physiotherapy profession while ensuring its development through the provision of services which enhance the reputation, effectiveness and success of its members.

The Association continued to contribute to the health of the community through education and health promotion and by assisting physiotherapists to provide preventative and therapeutic management.

These activities played an integral part in achieving the APA's strategic objectives. They provided clarity and guidance for all staff and clearly demonstrated the organisation's commitment to providing opportunities for professional success by positioning the APA as a leader in health policy debate. The underlying benefit of these activities is the reinforcement of the APA's commitment to increasing the value of APA membership.

APA member insurance program

The APA launched a new member insurance program in October 2013 aimed at increasing the value proposition of APA membership. It is anticipated that this initiative will be a long-term sustainable offering for the entire physiotherapy profession. The progress of this initiative will be reported in next year's annual report.

Members' guarantee

Australian Physiotherapy Association is a company limited by guarantee. The 14,674 members (2012: 13,566) of the Association have each undertaken to contribute the sum of 50 cents in the event of the Association being wound up.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 24.


Signed in accordance with a resolution of the Board of Directors

Marcus James Dripps
Director

Shane Michael Patman
Director

14 April 2014


Auditor’s independence declaration



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I declare that, to the best of my knowledge and belief, during the year ended 31 December 2013 there have been:

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



Bell Partners
Chartered Accountants



Ryan H. Dummett
Partner

Level 1, 465 Auburn Road, Hawthorn East

14 April 2014

Liability limited by a scheme approved under Professional Standards Legislation

Statement of profit and loss and other comprehensive income

	Notes	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Revenue		12,766,418	11,249,720
Interest received		85,650	91,710
Other income		91,812	125,970
Total Revenue	3	12,943,880	11,467,400
Cost of sales		37,448	38,674
Conference & professional development		2,702,380	1,602,595
Employee cost		5,718,573	5,485,093
Professional services		156,085	161,295
Public relation, projects		264,835	104,620
Marketing		325,396	96,342
Information technology		329,009	555,115
Travel and meeting expense		408,327	466,518
Publication expense		679,080	795,795
Subscription		128,503	60,929
Membership expense		415,015	161,340
Rent		544,593	557,269
Light & power		80,431	79,428
Insurance		42,207	51,222
Repairs & maintenance		43,435	30,763
Depreciation		323,319	342,704
Amortisation		22,747	30,889
Finance costs		165,694	174,271
Postage & delivery		27,592	35,992
Printing & stationery		36,200	47,358
Telephone		102,774	95,612
Investment property revaluation		10,000	15,000
Other expenses		341,284	224,128
Total Expenses		12,904,927	11,212,952
Surplus Before Income Tax Expense		38,953	254,448
Income tax benefit	5	241,917	211,724
Surplus Attributable To The Members		280,870	466,172

Other Comprehensive Income

Items that will not be reclassified subsequent to profit or loss: Transfer reserves to accumulated surplus	6	(2,037,671)	–
Transfer from reserves	6	2,037,671	–
Total Comprehensive Income For The Year			
Attributable To The Members		280,870	466,172

The above statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

	Notes	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Current Assets			
Cash & cash equivalents	7	2,354,099	1,718,617
Financial assets	8	834,530	656,318
Trade & other receivables	9	2,723,063	437,208
Inventories	10	23,050	24,981
Other current assets	11	2,204,099	502,737
Total Current Assets		8,138,841	3,339,861
Non-Current Assets			
Property, plant & equipment	12	4,870,416	5,121,373
Intangible assets	13	109,453	40,098
Investment property	14	1,350,000	1,360,000
Deferred tax assets	15	453,641	211,724
Total Non-Current Assets		6,783,510	6,733,195
Total Assets		14,922,351	10,073,056
Current Liabilities			
Trade & other payables	16	1,559,803	837,998
GST payable	17	178,590	134,495
Borrowings	18	150,000	150,000
Short-term provisions	19	526,445	643,396
Other current liabilities	20	7,020,823	2,964,101
Total Current Liabilities		9,435,661	4,729,990
Non-Current Liabilities			
Borrowings	18	175,000	325,000
Long-term provisions	19	152,663	139,909
Other non-current liabilities	20	26,677	26,677
Total Non-Current Liabilities		354,340	491,586
Total Liabilities		9,790,001	5,221,576
Net Assets		5,132,350	4,851,480
Equity			
Reserves	6	–	2,037,671
Accumulated surplus		5,132,350	2,813,809
Total Equity		5,132,350	4,851,480

The above statement of financial position should be read in conjunction with the accompanying notes.

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Auditor’s Independence Declaration

Statement of Profit and Loss and Other Comprehensive Income
for the year ended 31 December 2013

Statement of Financial Position
for the year ended 31 December 2013

Financials

Statement of Changes in Equity
for the year ended 31 December 2013

Statement of Cash Flows
for the year ended 31 December 2013

Notes to and Forming Part of the
Financial Statements
for the year ended 31 December 2013

Statement of changes in equity

	Notes	Asset Revaluation Reserve	Asset Realisation Reserve	Asset Acquisition Reserve	Accumulated Surplus	Total
Consolidated Balance at 1 January 2012		(94,267)	1,862,467	269,471	2,347,637	4,385,308
Comprehensive Income						
Surplus attributable to members		-	-	-	466,172	466,172
Balance at 31 December 2012		(94,267)	1,862,467	269,471	2,813,809	4,851,480
Comprehensive Income						
Transfer to accumulated surplus	6	94,267	(1,862,467)	(269,471)	-	(2,037,671)
Transfer from reserves	6	-	-	-	2,037,671	2,037,671
Surplus attributable to members		-	-	-	280,870	280,870
Total Comprehensive Income		94,267	(1,862,467)	(269,471)	2,318,541	280,870
Consolidated Balance at 31 December 2013		-	-	-	5,132,350	5,132,350

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Cash Flows From Operating Activities		
Receipts from members/customers	9,594,115	12,397,232
Payments to suppliers/employees	(8,520,808)	(12,193,134)
Interest received	85,650	91,710
Interest & other costs of finance paid	(30,799)	(56,303)
Net Cash Provided by Operating Activities	1,128,158	239,505
Cash Flows From Investing Activities		
Receipts from/(payments for) maturity investments	(178,212)	357,900
Proceeds from sale of property, plant & equipment	-	2,102
Payments for plant & equipment	(89,138)	(48,660)
Payments for intangible assets	(75,326)	(43,722)
Net Cash Provided by (used in) Investing Activities	(342,676)	267,620
Cash Flows From Financing Activities		
Repayments of borrowings	(150,000)	(550,669)
Net Cash used in Financing Activities	(150,000)	(550,669)
Net increase (decrease) in cash held	635,482	(43,544)
Cash at the beginning of the financial year	1,718,617	1,762,161
Cash at the end of the financial year	2,354,099	1,718,617

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to and forming part of the financial statements

Note 1 – Summary of significant accounting policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied, unless otherwise stated.

A. **Basis of Preparation**

Australian Physiotherapy Association has elected to early adopt the Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053; Application of Tiers Australian Accounting Standards and AASB 2010-2; Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. Accordingly, the entity has also early adopted AASB 2011-2; Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project - Reduced Disclosure Requirements and AASB 2012-7; Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements in respect of AASB 2010-6; Amendments to Australian Accounting Standards - Disclosure on Transfers of Financial Assets and AASB 2011-9; Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standard Board (AASB) and the Corporations Act 2001. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial

statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 14 April, 2014 by the directors of the company.

B. **Statement of Compliance**

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). A statement of compliance with International Financial Reporting Standards cannot be made due to the Australian Physiotherapy Association applying the not-for-profit sector specific requirements contained in the AIFRS and RDR.

C. **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to Australian Physiotherapy Association and that it can be reliably measured.

Member Fees and Subscriptions

The subscription year runs from 1 January to 31 December. Subscriptions are payable annually in advance. Only those membership fees and subscription payments that are attributable to the current financial year are recognised as revenue. Fees and subscription payments that relate to future periods are shown in the Statement of Financial Position as subscriptions and fees in advance under the heading of Other Current Liabilities.

Insurance Premiums

Insurance premiums received from members are not recognised as income as they are received by the company in its capacity as an agent for the insurer.

Interest

Recognised as interest accrues, taking into account the yield on the financial asset.

Income from Investments

Revenue is recognised in the periods in which it is earned.

Other Income

Revenue from sales of goods is recognised upon the delivery of the goods to the customers. Revenue from the rendering of services is recognised upon the delivery of the service to the customers.

D. **Income Tax**

In assessing its income tax liability, Australian Physiotherapy Association applies the principles of mutuality to its revenues and expenses. Revenue in the form of member receipts represents mutual income and is not subject to income tax. Expenses associated with such mutual activities are not tax deductible for income tax purposes. All other receipts and payments of Australian Physiotherapy Association are assessable The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases

Financials

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2013 (cont'd)

of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax consolidation

Australian Physiotherapy Association and its wholly owned Australian subsidiaries have formed an income tax consolidated group under tax consolidation legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation.

Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The Group notified the Australian Taxation Office that it had formed an income tax consolidated group to apply from 1 January 2003.

E. Impairment of Assets

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

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Where the future economic benefits of the asset are not primarily dependent upon the asset's ability to generate net cash inflows and when the company would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined on the depreciated replacement cost of an asset.

Where an impairment loss on a revalued asset is identified, this is debited against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

F. Receivables

The terms of trade are 30 days from invoice date. Receivables are recognised and carried at original invoice amount less any allowance for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

G. Payables

Trade creditors represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

H. Employee Benefits

Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. The discount rate used reflects national government securities that most closely match the terms of maturity of the related liabilities.

Annual Leave

The provision for annual leave represents the amount which Australian Physiotherapy Association has a present obligation to pay resulting from employees' services provided up to the reporting date. The provision has been calculated at the amounts expected to be paid when the liability is settled and includes on-costs.

Long Service Leave

The liability for employee benefits for long service leave represents the present value of the estimated future cash outflows to be made by the employee resulting from employees' services provided up to the reporting date.

In determining the liability for employee benefits, account has been taken of future increases in wage and salary rates, and Australian Physiotherapy Association's experience with staff departures. Related on-costs also have been included in the liability.

I. 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 losses.

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction), based on periodic but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

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.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve 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 income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to accumulated surplus.

Plant and Equipment

Plant and Equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity commencing from when the asset is held ready for use. The depreciation rates for each class of

depreciable assets are:

Class of Fixed Assets	Depreciation Method	Depreciation Rate
Buildings	Straight line	2%
Leasehold improvements	Straight line	16%
Plant and equipment	Straight line	10–20%
Office furniture and equipment	Straight line	10–25%
Artworks	Straight line	2.5%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying value is written down immediately to its recoverable amount if the asset'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 income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated surplus.

J. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

K. Derivative Financial Instruments

It is not current Australian Physiotherapy Association policy to enter into foreign exchange contracts to hedge commitments.

L. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the 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 financial

Financials

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2013 (cont'd)

activities, which are disclosed as operating cash flows.

M. **Provisions**

Provisions are recognised when the entity has a legal or constructive obligations as a result of past events, for which it is probable that an outflow of econmic benefits will result and that outflow can be reliably measured.

Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

N. **Comparative Figures**

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

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statements, a statement of financial position as at the beginning of the earliest comparative period will be disclosed.

O. **Inventories**

Inventories are measured at the lower of cost and current replacement cost.

Inventories acquired at no cost, or for nominal consideration are valued at the current replacement cost as at the date of acquisition.

P. **Financial Instruments**

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the equivalent to the date that the the Group commits itself to either the purchase or sale of the asset (ie, trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Initial Recognition and Measurement

Financial instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost. Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted. Amortised cost is calculated as:

- (a) the amount at which the financial asset or financial liability is measured at initial recognition;
- (b) less principal repayments;
- (c) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (d) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

Loans and Receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non current assets.)

Held-to-Maturity Investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Held-to-maturity investments are included in non-current assets, except for those which are expected to be realised within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Fees payable on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. A financial asset (or a group

of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a 'loss event') having occurred, which has an impact on the estimated future cash flows of the financial asset(s). In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables) a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance accounts. When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer

has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non cash assets or liabilities assumed is recognised in profit or loss.

Q. **Intangible Assets Software**

Software is recorded at cost. 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 one and three years. It is assessed annually for impairment. The amortisation rates for each class of intangible assets are:

Class of Intangible Assets	Amortisation Method	Amortisation Rate
Membership Database	Straight line	25%
Membership Website	Straight line	33.3%
Computer Software	Straight line	25%

R. **Cash and Cash Equivalents**

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

S. **Critical Accounting Estimates and Judgments**

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

Key Estimates—Impairment

The directors assess impairment at each reporting date by evaluating conditions specific to the company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value

Financials

Notes to and Forming Part of the Financial Statements for the year ended 31 December 2013 (cont'd)

in use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Key Judgements—Doubtful Debts Provision

The directors assess the recoverability of all accounts receivable at the end of the reporting period. All amounts that are identified at the end of the reporting period as unlikely to be recovered are included in the provision for impairment of receivables.

Key Estimates—Long Service Leave

The calculation of the provision for long service leave requires estimates to be made in relation to the net present value of future expected salaries of staff accruing long service leave entitlements. These estimates are made in reference on statistical data forecasts available.

Key Judgements—Long Service Leave

The calculation of the provision for long service leave requires judgements to be made in relation to the probability of providing and or paying employees long service leave entitlements in future periods. These judgements are made based on historical information available and past experiences within the company.

Key Estimates—Useful Lives

The estimation of the useful lives of assets has been based on historical experience. The condition of each asset is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

T. **Change of Accounting Policies**

Presentation of items of other comprehensive income (OCI)

As a result of adopting AASB 2012-7, which includes amendments to disclosure requirements arising from the Tier 1 (full-disclosure) Standard AASB 2011-9: Amendments to Australian Accounting Standards - Presentation of Items of Other Comprehensive Income that became mandatorily applicable from 1 July 2012, the following changes to the presentation of the company's financial statements were made during the year:

- items of OCI were grouped into:
 - items that will not be reclassified subsequently to profit or loss; and
 - those that will be reclassified subsequently to profit or loss when specific circumstances occur; and
- the title 'income statement' was changed to 'statement of profit or loss' under the two-statement approach. Although other titles are also permitted, the company has decided to use the title 'statement of profit or loss'.

The adoption of AASB 2011-9 only changed the presentation of the company's financial statements and did not have any impact on the amounts reported for the current period or for prior period in the company's financial statements.

Note 2 – Parent information

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.

	2013	2012
	(\$)	(\$)
Statement of financial position		
Assets		
Current assets	8,138,841	3,339,861
Total Assets	14,922,351	10,073,056
Liabilities		
Current liabilities	9,435,661	4,729,990
Total Liabilities	9,790,001	5,221,576
Equity		
Accumulated surplus	5,132,350	2,813,809
Asset revaluation reserve	–	(94,267)
Asset realisation reserve	–	1,862,467
Asset acquisition reserve	–	269,471
Total Equity	5,132,350	4,851,480

Statement of comprehensive income

Total surplus attributable to the members	280,870	466,172
Total comprehensive income	280,870	466,172

Guarantees

Australian Physiotherapy Association has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries.

Contingent liabilities

A bank guarantee is held in relation to the leased premises located in New South Wales and Queensland. The value of the bank guarantee is \$154,880 and will be released upon termination of the lease agreement.

Contractual commitments

As at 31 December 2013 Australian Physiotherapy Association had not entered into any contractual commitments for the acquisition of property, plant and equipment.

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Note 3 – Revenue		
Revenue from operating activities		
Members' subscriptions	7,132,604	6,574,941
Advertising—newsletters	759,672	809,475
Advertising—JOP	39,240	54,847
Sales of merchandise	70,471	82,986
JOP non-member subscriptions	2,988	4,857
Commissions, sponsorships & endorsements	320,226	976,947
Professional development & conferences	3,988,158	2,472,351
Interest from financial institutions	85,650	91,710
Rent	91,812	125,970
Sundry	453,059	273,316
Total revenue	12,943,880	11,467,400

Note 4 – surplus before income tax expenses

Surplus before income tax expense has been determined after:

(a) Expenses:

Cost of sales of merchandise	37,448	38,674
Professional development & conferences	2,702,380	1,602,595
Employee benefits	5,707,947	5,449,097
Auditor's remuneration		
—audit of financial report	24,000	23,310
Depreciation on non-current assets		
—buildings, plant & equipment	323,319	342,704
Amortisation on intangible assets		
—software	22,747	30,889
Bad and doubtful debts		
—trade debtors	–	(8,212)
Borrowing costs		
—financial institutions	30,799	56,303
Rental expense on operating leases		
—minimum lease payments	429,442	458,344

(b) Revenue and Net Gains:

Net gain on disposal of non-current assets		
—property, plant & equipment	–	(49)

Financials

Notes to and Forming Part of the
Financial Statements
for the year ended 31 December 2013
(cont'd)

Note 5 – Taxation

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Income Tax Benefit		
Prima facie income tax expense on surplus at 30% (2012: 30%)	11,686	76,334
Add tax effect of:		
Member expenses	2,401,673	2,280,318
	2,401,673	2,280,318
Less Tax effect of:		
Member income	2,655,276	2,354,848
Deferred tax asset not previously brought to account	–	213,527
	2,655,276	2,568,376
Income Tax Benefit	(241,917)	(211,724)

Note 6 – Reserves

During the year, the directors decided to transfer the balance of the asset realisation reserve and asset acquisition reserve to accumulated surplus they were no longer required.

The balance of the asset revaluation reserve should have been treated as an impairment charge in 2010 as it was in debit (ie, the property was valued lower than its original cost). This has now been transferred to accumulated surplus during the year to correct the error.

Note 7 – Cash and cash equivalents

Cash on hand	4,272	4,500
Cash at bank	2,349,827	1,714,117
	2,354,099	1,718,617

Note 8 – Financial assets

Held to maturity investments	834,530	656,318
	834,530	656,318
Held to maturity investments comprise:		
Fixed interest term deposits	834,530	656,318

Note 9 – Trade and other receivables

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Trade debtors	2,617,883	288,973
Less provision for impairment of receivables	5,000	5,000
	2,612,883	283,973
Other debtors	110,180	153,235
	2,723,063	437,208
Reconciliation of the provision for impairment of receivables		
Opening balance	5,000	20,000
Charge for the year	–	(8,212)
Written off	–	(6,788)
Closing balance	5,000	5,000

NOTE 10–Inventories

Stock of merchandise at cost	23,050	24,981
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NOTE 11–Other assets

Current		
Prepayments	332,488	502,737
Members’ insurance premium	1,871,611	–
	2,204,099	502,737

Note 12–Property, plant & equipment

Land & buildings at independent valuation in 2012	4,249,000	4,249,000
Less accumulated depreciation	233,040	174,780
	4,015,960	4,074,220
Total land & buildings	4,015,960	4,074,220

Plant & Equipment at cost	582,094	601,275
Less accumulated depreciation	318,897	259,841
	263,197	341,434
Office furniture & equipment at cost	1,776,991	1,774,224
Less accumulated depreciation	1,195,972	1,080,288
	581,019	693,936

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Artwork at cost	13,167	14,773
Less accumulated depreciation	3,477	3,540
	9,690	11,233
Medallion at cost	550	550
Total equipment	854,456	1,047,153
Total property, plant & equipment	4,870,416	5,121,373

(a) Assets Pledged as Security

There is a fixed charge over all the land & buildings.

(b) Valuation of Land and Buildings

The value of land and buildings is based on valuation assessed by Colliers International as per their report dated 19 December 2012.

(c) Movements in Carrying Amounts

Movements in the carrying amounts of property, plant and equipment between the beginning and the end of the current financial year.

Land and Buildings

Balance at the beginning of the year	4,074,220	4,132,480
Additions	–	–
Disposals	–	–
Revaluation	–	–
Reclassification	–	–
Depreciation expense	(58,260)	(58,260)
Carrying amount at the end of the year	4,015,960	4,074,220

Equipment

Balance at the beginning of the year	1,047,153	1,285,088
Additions	89,138	48,660
Disposals	–	(2,151)
Revaluation	–	–
Reclassification	(16,776)	–
Depreciation expense	(265,059)	(284,444)
Carrying amount at the end of the year	854,456	1,047,153

Financials

Notes to and Forming Part of the
Financial Statements
for the year ended 31 December 2013
(cont’d)

Note 12–Property, plant & equipment (cont’d)

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Total		
Balance at the beginning of the year	5,121,373	5,417,568
Additions	89,138	48,660
Disposals	–	(2,151)
Revaluation	–	–
Reclassification	(16,776)	–
Depreciation expense	(323,319)	(342,704)
Carrying amount at the end of the year	4,870,416	5,121,373

Note 13–Intangible assets

Website at cost	55,811	–
Less accumulated amortisation	2,867	–
	52,944	–
Membership database at cost	70,684	63,012
Less accumulated amortisation	35,496	22,914
	35,188	40,098
Computer software at cost	34,672	–
Less accumulated amortisation	13,351	–
	21,321	–
Total intangible assets	109,453	40,098
Movements in Carrying Amounts		
Opening balance	40,098	27,265
Additions	75,326	43,722
Disposals	–	–
Reclassification	16,776	–
Amortisation charge	(22,747)	(30,889)
Closing balance	109,453	40,098

Note 14–Investment property

Properties at independent valuation in 2013	1,350,000	1,360,000
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The value of investment property is based on valuation assessed by
Charter Keck Cramer as at 28 Noverneber 2013.

Note 15–Deferred tax assets

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Non-current		
Deferred tax assets	453,641	211,724
	453,641	211,724
Reconciliation of the movement in deferred tax assets		
Opening balance	211,724	-
Deferred tax assets not previously brought to account	-	213,527
Amount charged to profit and loss	241,917	(1,803)
Closing Balance	453,641	211,724

Note 16–Trade and other payables

Trade creditors	1,232,372	645,802
Other creditors and accruals	327,431	192,196
	1,559,803	837,998

Note 17–GST payable

	178,590	134,495
--	----------------	----------------

Note 18–Borrowings

Current		
Bank loan	150,000	150,000
	150,000	150,000
Non-current		
Bank loan	175,000	325,000
	175,000	325,000

(a) Significant Terms and Conditions of Bank Facilities

The bank loans, including overdrafts and facilities are secured by specific registered mortgages over property. The covenants require Australian Physiotherapy Association to provide within 151 days of the close of each financial year, a copy of the audited annual report or balance sheet, profit and loss account, and a copy of the projected cashflow budget for the ensuring year. The expiry date of the bill facility is 30 April, 2015.

(b) Carrying Amount of All Assets Pledged as Security

There is a fixed charge over all property disclosed in notes 12 and 14.

Note 19–Provisions

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Current		
Annual leave	336,417	400,378
Long service leave	190,028	177,878
Other	-	65,140
	526,445	643,396
Non current		
Long service leave	84,091	75,145
Make-good	68,572	64,764
	152,663	139,909
Total number of employees at year end was	57	62
Reconciliation of the movement in provisions		
Opening balance	783,305	687,155
Provision accrued	318,570	395,350
Amounts used	(422,767)	(299,200)
Closing balance	679,108	783,305

Note 20–Other liabilities

Current		
Subscriptions in advance	4,838,089	2,480,498
Members' insurance premium	1,871,611	-
Course fees in advance	298,358	471,396
Commissions & endorsements in advance	12,765	12,207
	7,020,823	2,964,101
Non-current		
Trust funds—New South Wales	26,677	26,677
	26,677	26,677

Note 21–Related party transactions

During the year fees were paid to directors, their firms and associated entities for services provided in relation to the professional development activities. The total amount paid during the year was \$8,232.

All transactions entered into during the year with directors, their firms and associated entities are within normal customer relationships on terms and conditions no more favourable than those available to other members and customers including the payment of usual member subscriptions and receipt of normal benefits of membership.

Honorariums paid to the directors are disclosed in note 25 as key management personnel compensation.

Financials

Notes to and Forming Part of the
Financial Statements
for the year ended 31 December 2013
(cont'd)

Directors' Declaration

Note 22–Right of indemnity

In its capacity as Trustee, Physiotherapy Research Foundation Pty Ltd incurs liabilities in the administration of the Physiotherapy Research Foundation but is entitled to have these liabilities discharged out of the Foundation's assets. The Directors believe that the value of the assets of the Foundation are sufficient to meet the liabilities so incurred and unpaid as at 31 December 2013. The Trustee's right of indemnity is not available to meet any liabilities incurred by the Trustee acting in its own right. The liabilities so incurred and unpaid at 31 December 2013 are:

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Current Liabilities		
Creditors & borrowings	109,175	57,367
	109,175	57,367

Note 23–Controlled entities

	Place of Incorporation	% Owned	% Owned
Parent Entity:			
Australian Physiotherapy Association	Australia	–	–
Controlled Entities:			
Physiotherapy Australia Pty Ltd	Australia	100	100
Australian Physiotherapy Services Pty Ltd	Australia	100	100
Physiotherapy Research Foundation Pty Ltd	Australia	100	100

The shares in the above companies are held by members of the Board of Directors on behalf of the Australian Physiotherapy Association.

Note 24–Entities included in the consolidated accounts

National Entities:	
Sports Physiotherapy Australia	Physiotherapy Business Australia
National Paediatric Group	Musculoskeletal Physiotherapy Australia
National Neurology Group	Continance and Women's Health Physiotherapy Australia
Physiotherapy Leadership and Management Group	Cardiorespiratory Physiotherapy Australia
Australian College of Physiotherapists	Gerontology Physiotherapy Australia
Aquatic Physiotherapy Group	Occupational Health Physiotherapy Australia
Educators Group	Animal Physiotherapy Group
Student Group	Acupuncture and Dry Needling Group
Branch Entities:	
New South Wales Branch	South Australian Branch
Victorian Branch	West Australian Branch
Queensland Branch	Australian Capital Territory Branch
Tasmanian Branch	Northern Territory Branch
Subsidiaries:	
Australian Physiotherapy Services Pty Ltd	Physiotherapy Research Foundation Pty Ltd
Physiotherapy Australia Pty Ltd	

Note 25–Key management personnel compensation

	Consolidated 2013 (\$)	Consolidated 2012 (\$)
Total	\$425,327	\$403,888

Note 26–Financial risk management

The Association's financial instruments consist mainly of deposit with bank, accounts receivable and payable and bank loans.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements are as follows:

Financial Assets		
Cash & cash equivalents	2,354,099	1,718,617
Financial assets	834,530	656,318
Trade & other receivables	2,723,063	437,208
Total Financial Assets	5,911,692	2,812,143
Financial Liabilities		
Trade & other payables	1,559,803	837,998
Borrowings	325,000	475,000
GST payable	178,590	134,495
Total Financial Liabilities	2,063,393	1,447,493

Note 27–Contingent assets and liabilities

A bank guarantee is held in relation to the leased premises located in New South Wales and Queensland. The value of the bank guarantee is \$154,880 and will be released upon termination of the lease agreement.

Note 28–Capital & leasing commitments

Operational Leases

Non-cancellable operating leases contracted for but not capitalised in the accounts.

Payable:

—Not longer than 1 year	273,025	420,062
—Longer than 1 year but not longer than 5 years	838,293	190,579
—Longer than 5 years	316,318	–
	1,427,636	610,641

Property Address	Term	Expiry Date
Office 2, Ground Floor, 174 Hampden Road, Needlands, WA	5 years	20 July 2018
Freeway Office Park, Building 6C, 2728 Logan Road, Eight Miles Plain, QLD	6.4 years	30 November 2019
Unit 8, 15 Fullarton Road, Kent Town, SA	5 years	31 July 2016
2/286 Macquarie Street, South Hobart, TAS	5 years	31 January 2014

NOTE 29–Events after the reporting period

The APA and Guild Insurance Limited reached settlement in March 2014 finalising all outstanding monies owed in relation to the contractual referral agreement that existed between both parties.

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

NOTE 30–Company details

The registered office of the company is:
Australian Physiotherapy Association
Level 1, 1175 Toorak Road
Camberwell, Vic 3124
ABN 89 004 265 150

Directors' declaration

The Directors of the Australian Physiotherapy Association declare that:

- The financial statements and notes, as set out on pages 24 to 39, are in accordance with the Corporations Act 2001 and:
(a) comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
(b) give a true and fair view of the financial position as at 31 December 2013 and of the performance for the year ended on that date of the Association and the consolidated group;
- In the Directors' opinion there are reasonable grounds to believe that the Association will be able to pay its debts as and when they become due and payable.

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

Marcus James Dripps
Director

Shane Michael Patman
Director

14 April 2014

Financials

Independent Audit Report to the Members of the Australian Physiotherapy Association

Physiotherapy Research Foundation

Financial statements for the year ended 31 December 2013 (unaudited)

Independent audit report to the members of the Australian Physiotherapy Association



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Report on the Financial Report

We have audited the accompanying consolidated financial report comprising Australian Physiotherapy Association (the Company) and the entities controlled at the year's end or from time to time during the financial year (the consolidated entity). The consolidated financial report comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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 Australian Accounting Standards – Reduced Disclosure Regime and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Australian Physiotherapy Association, would be in the same terms if provided to the directors as at the time of this auditor's report.

Auditor's Opinion

In our opinion the financial report of the consolidated entity is in accordance with the Corporations Act 2001, including including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Regime and the Corporations Regulations 2001.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Australian Physiotherapy Association for the year ended 31 December 2013 included on Australian Physiotherapy Association's website. The Company's directors are responsible for the integrity of the Australian Physiotherapy Association's website. We have not been engaged to report on the integrity of the Australian Physiotherapy Association's website. The auditor's report refers only to the financial report. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this website.

Bell Partners
Chartered Accountants

Ryan H. Dummett
Partner

Level 1, 465 Auburn Road, Hawthorn East

14 April 2014

Physiotherapy research foundation

Income statement		2013	2012
Notes		(\$)	(\$)
Income			
Donations	1	65,472	124,549
Interest		31,460	39,716
Other		–	25,016
Total Income		96,932	189,281
Expenditure			
Grants		98,199	92,028
Administration		2,345	4,029
Total Expenditure		100,544	96,057
Operating Surplus/(Deficit)		(3,612)	93,224

Balance sheet

Current Assets		
Cash at bank	204,770	163,351
GST receivable	18	88
Other assets	2 850,478	843,631
Total Current Assets	1,055,266	1,007,070
Total Assets	1,055,266	1,007,070
Current Liabilities		
Payables	109,175	57,367
Total Liabilities	109,175	57,367
Net Assets	946,091	949,703
Equity		
Financial assets reserve	182,822	182,822
Accumulated surplus	763,269	766,881
Total Equity	946,091	949,703

Notes to accounts		2013	2012
		(\$)	(\$)
1	Donations		
	APA members	30,292	29,371
	Australian Physiotherapy Association	30,000	—
	Anonymous donation	–	25,000
	John Maitland and Wendy Trudgen	–	20,000
	SA Physiotherapists		
	Registration Board	–	20,989
	Other	5,180	29,189
		65,472	124,549
2	Other Assets at 31 December 2013 include:		
	Term Deposit—National Australia Bank	760,969	754,923
	Term Deposit—Trust Company of Australia	89,509	88,708
		850,478	843,631

The operating results of the Physiotherapy Research Foundation do not form part of the Australian Physiotherapy Association Financial Statements.

Notes



