AUSTRALIAN & NEW ZEALAND COLLEGE OF ANAESTHETISTS

(ABN 82 055 042 852)

ANNUAL REPORT

For the year ended 31 December 2021

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Annual Report 2021

Directors Report

The Council of the Australian and New Zealand College of Anaesthetists submit herewith the financial report for the financial year ended 31 December 2021. The College maintained its primary objectives for the period under review.

The Directors submit their report for the year ended 31 December 2021 as follows:

The names and particulars of the Directors during or since the end of the financial year are:

President Dr V S Beavis	FANZCA 1999; Auckland City Hospital, NZ
Vice-President Dr C J Cokis	FANZCA 1997; Fiona Stanley Hospital, WA
Honorary Treasurer Dr C J Cokis	FANZCA 1997; Fiona Stanley Hospital, WA

Directors of the College

Dr D Devonshire	FANZCA 1998; Monash Medical Centre, VIC
Dr M R R Jones	FANZCA 1992; Royal Prince Alfred Hospital, NSW
Dr S C Y Ma	FANZCA 2013; Women's and Children's Hospital, Adelaide
Dr M S McManus	FANZCA 2003; Mater Misericordiae, Brisbane, QLD
Dr S D Marshall	FANZCA 2006; Peninsula Health, VIC
Dr R G Mitchell	FANZCA 2004; Queen Elizabeth & Lyell McEwin Hospitals, SA (Resigned 8 May 2021)
Dr N N Robertson	FANZCA 1992; Auckland City Hospital, NZ
Dr T Selak	FANZCA 2009; Wollongong Hospital, NSW
Professor D Story	FANZCA 1997; Austin Health, VIC
Dr M Turner	FANZCA 2018; Children's Hospital Westmead, NSW
Associate Professor M Vagg	FFPMANZCA 2007; Pain Matrix, VIC
Associate Professor L Watterson	FANZCA 1997; Royal North Shore Hospital NSW
Associate Professor D Wilson	FANZCA 1998; North West Regional Hospital, TAS

Information on Directors

Name	**Dr V S Beavis**
Qualifications	FANZCA 1999; FFA (SA) 1992; MB BCh 1982, FAICD.
Experience	Member of council since May 2012; fellow of ANZCA for 22 years
Special Responsibilities	President and council member

Name	**Dr C J Cokis**
Qualifications	FANZCA 1997; MBBS, GAICD.
Experience	Member of council since May 2016; fellow of ANZCA for 24 years
Special Responsibilities	Vice President, Honorary Treasurer and council member

Name	**Dr D Devonshire**
Qualifications	FANZCA 1998; National Board of Echocardiography (USA) Perioperative TEE 2001; Medical University of South Carolina (MUSC); Fellowship in Clinical Anaesthesiology 1998
Experience	Member of council since May 2020; fellow of ANZCA for 23 years
Special Responsibilities	Council member

Name	**Dr M R R Jones**
Qualifications	FANZCA 1992; FFARACS 1991
Experience	Member of council since November 2014; fellow of ANZCA/FFARACS for 30 years
Special Responsibilities	Council member

Name	**Dr S C Y Ma**
Qualifications	FANZCA 2013; AFRACMA 2016; BMBS 2005; BMedSc 2002; GAICD 2016
Experience	Member of council since March 2015 to May 2018 and May 2019 onwards; fellow of ANZCA 8 years
Special Responsibilities	Council member

Name	**Dr M S McManus**
Qualifications	FANZCA 2003; FCICM 2015; GAICD
Experience	Member of council since May 2014; fellow of ANZCA for 18 years
Special Responsibilities	Council member

Name	**Dr S D Marshall**
Qualifications	FANZCA 2006; MB.ChB 1995; MRCA 2002; MHumanFact 2008; PhD 2015; MAICD 2020; CHIA 2021.
Experience	Member of council since May 2020; fellow of ANZCA for 15 years
Special Responsibilities	Council member

Name	**Dr R G Mitchell (Resigned 8 May 2021)**
Qualifications	FANZCA 2004; BMBS 1988; DA (UK) 1991; DRACOG 1992; FRACGP 1995; FAICD 2015
Experience	Member of council since 2009; fellow of ANZCA for 17 years
Special Responsibilities	Immediate Past President and council member

Name	**Dr N N Robertson**
Qualifications	FANZCA 1992 (FFARACS 1990)
Experience	Member of council since May 2016; fellow of ANZCA for 31 years
Special Responsibilities	Council member

Name	**Dr T Selak**
Qualifications	FANZCA 2009; BHB 1998: MBChB 2001, GAICD 2020, Master of Health Administration 2020.
Experience	Member of council since May 2020; fellow of ANZCA for 12 years
Special Responsibilities	Council member

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Name	**Professor D Story**
Qualifications	FANZCA 1997; MBBS (Hons) (Monash) 1989; BMedSci (Hons) (Monash) 1986; MD (Melb) 2004, MAICD 2021
Experience	Member of council since 2020; fellow of ANZCA for 24 years
Special Responsibilities	Council member

Name	**Dr M Turner**
Qualifications	FANZCA 2018; MBBS (QLD) 2010; GC Clinical Ultrasound (Melb) 2017; MHlth & MedLaw (Melb) 2014; GDLP (QLD) 2006; LLB (Hons) 2004
Experience	Member of council since 2020; fellow of ANZCA for 3 years
Special Responsibilities	Council member

Name	**Associate Professor M Vagg**
Qualifications	FFPMANZCA 2007; MBBS(Hons) 1994, FAFRM(RACP) 2005
Experience	Member of council since 2020; fellow of FFPMANZCA for 14 years
Special Responsibilities	FPM Dean and council member

Name	**Associate Professor L Watterson**
Qualifications	FANZCA 1997; MBBS 1989; Master of Clinical Education 2007; Grad Dip Coach Leadership (2019); FAICD
Experience	Member of council from 2019; fellow of ANZCA for 24 years
Special Responsibilities	Council member

Name	Associate Professor D Wilson
Qualifications	FANZCA 1998; MBBS 1984; Associate Fellowship RACMA 2015; GAICD 2017
Experience	Member of council from 2019; fellow of ANZCA for 23 years
Special Responsibilities	Council member

Company Secretary
The Company Secretary for the Australian and New Zealand College of Anaesthetists for the financial year ended 31 December 2021 was:

- N Fidgeon MHA, BN, GAICD, FACHSM, FCNA

Principal activities
During the year the principal continuing activities of the College consisted of:

a) Promoting the study of anaesthesia and pain medicine practice;
b) Promoting continuing medical education;
c) Promoting quality and safety of patients via standards setting; and
d) Promoting clinical and scientific research.

These activities ensured the College's focus on the core objectives that are guided by the College's Mission and Vision statements, strategic priorities and effective deployment of resources.

Review of operations

COVID-19 continued to have a significant impact on the operations of the College during 2021. For the majority of 2021, the College continued to operate under the work-from-home conditions and some planned activities had to be either cancelled, deferred or held in a virtual or hybrid format.

The College has recorded an operating surplus of $5.298m (2020: $6.282 surplus) for the year ended 31 December 2021. After accounting for dividends, interest income and gains in the value of investments consolidated surplus is $8.522m (2020: $7.420m).

The global equity market strengthened significantly in 2021 from the last quarter of 2020 due to the global economies recovering from the COVID-19 pandemic and major central banks continuing to maintain loose monetary policy. The investment portfolio has recorded income of $1.1270m (2020: $895k) and gain in value of $1.888m (2020: gain of $223k). It is noted that with the threat of increasing interest rates and the Russian/Ukraine conflict, the portfolio has decreased in value by $1.718m by the end of February 2022, effectively reversing all of the gains achieved in 2021. For this reason, the college does not rely on gains in the value of investments to fund day to day operations.

Total revenue was $41.557m (2020: $38.557m) and total operating expenditure for the year was $36.260m (2020: $32.276m). Whilst income has increased by $3.000m, expenses have increased by $3.984m, explaining the lower reported operating surplus compared to 2020.

Higher income was predominantly due to the 2021 ASM being held as a hybrid event with some virtual and in person components. The 2020 ASM was cancelled in 2020 due to COVID-19.

Registration, training and exam fees increased compared to 2020 largely as a result of the deferral of the Final Exam 20.2 Anaesthetic Vivas to 2021.

Subscriptions and entry fees increases are predominantly volume driven as there was no fee increase applied in 2021 fees with Australian and New Zealand fees remaining at 2020 levels. It is noted that the College has also not increased fees in 2022, acknowledging the impact that Covid-19 has had to many of the Fellows and Trainees of the College.

Government grants for Education Strategy; and Opioid Education grants, both awarded to FPM contributed $0.991m (2020:$0.830m) to income in 2021. The Opioid Education grant is of particular note as this provided sales revenue for the Better Pain Management program, however the associated expenditure was incurred in prior years. The Opioid Education grant ended in June 2021 however the Education Strategy grant will continue into 2022.

Employment costs increased by $1.166m as a number of vacant roles were filled throughout the year, for which recruitment was delayed due to COVID-19 in 2020. Also contributing to the increase was a greater use of contractors and recruitment agencies to fill some positions due to the competitive employment market. A reduction in staff taking annual leave due to COVID-19 restrictions has also contributed to the increase in employment costs.

Travel and event related costs increased by $2.364m. The increase is almost entirely event related as the college was able to hold more events, including a hybrid ASM, compared to 2020. Increased costs for the running of exams were also experienced due to higher numbers of candidates and exams being held at more sites due to COVID-19 restrictions. It should be noted that that whilst compared to 2020 travel and event expenditure increased, when compared to the three year average prior to COVID-19, travel and events has reduced significantly. As COVID-19 related restrictions ease, it is expected that travel will return to pre-COVID levels.

Facilities costs have increased by $0.329m. This increase is reflective of required waterproofing repairs required at 630 St Kilda Road and additional freight and courier costs due to the geographically dispersed exams and other operations. At the end of 2021 the Adelaide lease was renewed and the Perth operations moved to a new premise more suitable for use by our WA based Fellows and Trainees.

Use of professional services increased by $1.255m in 2021. This increase is reflective of renewed focus on strategic activities, the outsourcing of the facilities function and support of the geographically dispersed exam model required due to COVID-19.

Research grant expenditure reduced by $1.365m in 2021. This is largely due to the award and payment of grants deferred to future years.

The College traditionally generates positive cash flows from operating activities. In 2021, the College generated $10.796m (2020: $7.21m) of cash flow from operating activities. The higher amount compared to prior year can be attributed to receipt of 2022 subscriptions and training fees which were invoiced a month earlier than prior years. Further, with government restrictions such as maintaining social distancing requirements, quarantine and travel restrictions, the College was required to convert a number of activities to a virtual format, which reduced further expenses.

Following the surplus' reported in 2020 and 2021, the College has budgeted for a deficit in 2022 and expects subsequent deficits in 2023 and 2024 with significant investment in strategic activities planned to be carried out. These strategic activities will be funded by cash surplus' from prior years.

Significant changes in state of affairs

During the year, there was no significant change in the College state of affairs other than that referred to in the financial statements or notes thereto.

Dividends

The College is a company limited by guarantee and its Constitution precludes the payment of dividends.

Events subsequent to balance date

No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and future results

The College anticipates that in 2022 it will maintain its positive financial position. The College is continually reviewing, updating and improving its management and governance practices to ensure that the objectives of the College are met.

Short and Long Term Objectives and Strategies

The College is guided by the 2018-2022 strategic plan that includes the following Mission Statement.

Mission: "To serve the community by fostering safety and high quality patient care in anaesthesia, perioperative medicine, and pain medicine".

This plan is the result of comprehensive consultation and engagement within the College community and beyond and will guide us over the five years until 2022.

LEADING	The College will lead the development of: • a collaborative, integrated and effective model of perioperative medicine. • pain medicine training in standards and training for procedural interventions.
GROWING	The College will: • utilise the best available technology to promote ongoing contemporary lifelong education and training in anaesthesia and pain medicine. • develop governance processes to ensure data integrity (protected, accurate, trusted, useable).
DRIVING	The College will sustain and support global leadership in research by: • funding and nurturing research through collaboration and networks. • driving a culture of research and quality improvement. • promoting research opportunities across the career life cycle.
SUPPORTING	The College will foster strong relationships with its fellows, trainees and SIMGs by: • supporting the rural, regional and remote workforce.

	• supporting the wellbeing of anaesthetists and specialist pain medicine physicians inclusive of College staff. • supporting and promoting a diverse workforce • advocating for pain services and increase the number of multi-disciplinary pain services.
POSITIONING	The College will: • explore a name change to the more internationally recognised term “anaesthesiology”. • be the trusted source of expertise in and knowledge of anaesthesia and pain medicine. • expand its efforts to address the societal impact/problem of pain in Australia and New Zealand. • build on its international relationships to enhance its identity, reputation and collaborations in anaesthesia and pain medicine.

Directors' meetings

Name	Eligible to attend	Attended
Dr V S Beavis	7	7
Dr C J Cokis	7	7
Dr D Devonshire	7	7
Dr M R R Jones	7	7
Dr S C Y Ma	7	7
Dr S D Marshall	7	7
Dr M S McManus	7	7
Dr R Mitchell (Resigned 8 May 2021)	3	3
Dr N N Robertson	7	7
Professor D Story	7	7
Dr T Selak	7	7
Dr M Turner	7	7
Associate Professor M Vagg	7	7
Dr L M Watterson	7	7
Associate Professor D J Wilson	7	6

Finance, Audit and Risk Management (FARM) Committee meetings

The FARM Committee consists of the President, Vice President, Honorary Treasurer, a Councillor and three independent financial, legal and corporate governance experts. The number of FARM meetings held during the year ended 31 December 2021 and the number of meetings attended by each committee member was:

Name	Eligible to attend	Attended
Mr R Garvey (Chair)	4	4
Dr V Beavis (President)	4	4
Dr C Cokis (Honorary Treasurer)	4	4
A/Professor Mick Vagg (Member)	2	2
Dr Kieran Davis (Member)	1	1
A/Professor Debbie Wilson (Member)	1	1
Mr C Campbell (Member)	4	4
Mr S Miller (Member)	4	4

Performance in relation to environmental regulation

There was no environmental legislation applicable to the operations of the entity that has not been complied with.

Related Party Transactions
During or since the end of the financial year, no director of the College has received, or become entitled to receive, a benefit because of a contract that the director or a firm of which the director is a member, or an entity in which the director has a substantial financial interest, made with the College or an entity that the College controlled, or a body corporate that was related to the College, when the contract was made or when the director received, or became entitled to receive the benefit other than:

a) a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in note 16 to the accounts; or
b) the fixed salary of a full-time employee of the College or an entity that the College controlled or a related body corporate.

Contribution upon winding up
The company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the Constitution states that each member is required to contribute a maximum of $50 each towards meeting any outstanding obligations of the entity. At 31 December 2021, the total amount that members of the company are liable to contribute if the company is wound up is $350,850 (2020: $342,150)

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

Indemnification of directors and officers

During the financial year, the College paid a premium in respect of a contract insuring the directors of the College, company secretary and all executive officers of the College and any related body corporate, as well as external members of committees against a liability incurred as a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits the disclosure of the nature of the liability and the amount of the premium.

Signed in accordance with a resolution of Directors.

On behalf of the Directors

Dr V S Beavis President Melbourne, 8 April 2022	Dr C J Cokis Vice President Melbourne, 8 April 2022

Collins Square, Tower 5
727 Collins Street
Melbourne Victoria 3008

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration

To the Directors of Australian and New Zealand College of Anaesthetists

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Australian and New Zealand College of Anaesthetists for the year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

T S Jackman
Partner - Audit & Assurance

Melbourne, 8 April 2022

Collins Square, Tower 5
727 Collins Street
Melbourne VIC 3008

Correspondence to:
GPO Box 4736
Melbourne VIC 3001

T +61 3 8663 2200
F +61 3 8663 2222
E info.vic@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Report

To the Members of Australian and New Zealand College of Anaesthetists

Report on the audit of the financial report

Opinion

We have audited the financial report of Australian and New Zealand College of Anaesthetists (the "Registered Entity"), which comprises the statement of financial position as at 31 December 2021, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Directors' declaration.

In our opinion, the financial report of Australian and New Zealand College of Anaesthetists has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

a giving a true and fair view of the Registered Entity's financial position as at 31 December 2021 and of its financial performance for the year then ended; and

b complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

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

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

Information Other than the Financial Report and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Registered Entity's annual report for the year ended 31 December 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001*. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

T S Jackman
Partner – Audit & Assurance

Melbourne, 8 April 2022

Directors' declaration

The directors of the company declare that, in the opinion of the directors:

(a) the attached financial statements and notes thereto are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, including:
   (i) giving a true and fair view of the financial position of the company as at 31 December 2021 and of its performance for the financial year ended on that date; and
   (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the Australian Charities and Not-for-profits Commission Regulation 2013; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

On behalf of the Directors

Dr V S Beavis
President
Melbourne, 8 April 2022

Dr C J Cokis
Vice President
Melbourne, 8 April 2022

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2021

	Note	2021 $	2020 $
Revenue			
Subscriptions and entry fees		14,018,832	13,497,823
Registrations, training and exam fees		13,108,232	10,028,291
Conference and course fees		3,353,500	637,042
Specialist training program grant		7,865,521	8,055,516
Government grants - other		991,216	830,308
Covid-19 stimulus grants		166	3,572,050
Other income		2,219,822	2,099,881
Total revenue from operating activities		**41,557,289**	**38,557,228**
Expenses			
Employment		15,625,171	14,459,372
Facilities		2,489,081	2,160,491
Travel and events		3,843,854	1,479,855
Information technology		2,674,087	2,763,214
Professional services		2,553,542	1,298,533
Research grants		403,248	1,768,654
Specialist training program employment and rural loading		7,270,005	7,337,584
Finance costs		69,633	87,340
Other expenses		1,330,934	920,473
Total expenses from operating activities	**4**	**36,259,555**	**32,275,516**
Surplus before non-operating activities		**5,297,734**	**6,281,712**
Income from non-operating activities			
Investment income	**5**	3,220,385	1,196,723
Surplus for the year		**8,518,119**	**7,478,435**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		4,151	(58,736)
Total comprehensive income for the year		**8,522,270**	**7,419,699**

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 21 to 36.

Statement of Financial Position

As at 31 December 2021

	Note	2021 $	2020 $
ASSETS			
Current assets			
Cash and cash equivalents		19,679,440	13,907,521
Cash and cash equivalents – STP related		10,721,215	8,783,622
Trade and other receivables	**6**	2,114,088	2,907,520
Other financial assets	**7**	1,664,272	4,183,275
Total current assets		**34,179,015**	**29,781,938**
Non-current assets			
Property and office equipment and cultural assets	**8**	12,254,257	12,102,003
Intangible assets	**9**	704,158	1,198,970
Other financial assets	**7**	30,965,754	24,082,086
Total non-current assets		**43,924,169**	**37,383,059**
Total assets		**78,103,184**	**67,164,997**
LIABILITIES			
Current liabilities			
Trade and other payables	**10**	12,472,562	11,606,110
Contract liability	**11**	11,738,093	10,844,566
Provisions	**12**	953,250	709,977
Lease liabilities	**13**	402,951	438,862
Total current liabilities		**25,566,856**	**23,599,515**
Non-current liabilities			
Contract liability	**11**	3,589,235	3,332,391
Provisions	**12**	248,262	257,757
Lease liabilities	**13**	1,138,030	936,803
Total non-current liabilities		**4,975,527**	**4,526,951**
Total liabilities		**30,542,383**	**28,126,466**
Net assets		**47,560,801**	**39,038,531**
EQUITY			
Retained earnings		47,093,638	38,575,519
Foreign currency translation reserve		176,006	171,855
Asset revaluation reserve		291,157	291,157
Total equity		**47,560,801**	**39,038,531**

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 21 to 36.

Statement of Changes in Equity

For the year ended 31 December 2021

	Note	Retained Earnings $	Foreign currency translation reserve $	Assets revaluation reserve $	Total $
Balance at 1 January 2020		**31,097,084**	**230,591**	**291,157**	**31,618,832**
Surplus for the year		7,478,435	-	-	7,478,435
Currency translation differences arising during the year		-	(58,736)	-	(58,736)
Total comprehensive income for the year		7,478,435	(58,736)	-	7,499,619
Balance at 31 December 2020		**38,575,519**	**171,855**	**291,157**	**39,038,531**
Surplus for the year		8,518,119	-	-	8,518,119
Currency translation differences arising during the year		-	4,151	-	4,151
Total comprehensive income for the year		8,518,119	4,151	-	8,522,270
Balance at 31 December 2021		**47,093,638**	**176,006**	**291,157**	**47,560,801**

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 21 to 36.

ANZCA
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Annual Report 2021

Statement of Cash Flows

For the year ended 31 December 2021

	2021 $	2020 $
Cash flows from operating activities		
Receipts from members, customers and Government bodies	48,872,711	39,689,113
COVID-19 Stimulus received	166	3,572,050
Interest received	62,926	79,038
Donations received	413,398	122,047
Payments to employees, suppliers and other parties	(38,148,993)	(34,437,677)
Research grants paid	(403,248)	(1,814,880)
Net cash inflow from operating activities	**10,796,960**	**7,209,691**
Cash flows from investing activities		
Proceeds from redemption of term deposits	2,523,551	-
Payments for purchases of financial assets	(3,916,957)	(2,208,608)
Payments for property and office equipment	(1,274,311)	(605,914)
Payments for project development	-	(192,695)
Net cash outflow from investing activities	**(2,667,717)**	**(3,007,217)**
Cash flows from financing activities		
Lease liabilities payments	(427,461)	(407,478)
Net cash outflow from financing activities	**(427,461)**	**(407,478)**
Net increase in cash and cash equivalents	7,701,782	3,794,996
Cash and cash equivalents at the beginning of the financial year	**22,691,143**	**18,947,347**
Total effect of exchange rate fluctuation of cash held	7,729	(51,200)
Cash and cash equivalents at the end of the financial year	**30,400,655**	**22,691,143**

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 21 to 36.

Notes to the financial statements

1. General Information

The Australian and New Zealand College of Anaesthetists (“the College”) is a company limited by guarantee that is incorporated and domiciled in Australia, with the liability of members limited to $50 per member.

The Australian and New Zealand College of Anaesthetists' registered office and its principal place of business is 630 St Kilda Road, Melbourne, VIC, 3004, Australia.

The financial statements were authorised for issue by the directors on 8 April 2022. The directors have the power to amend and reissue the financial statements.

2. Significant accounting policies

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), and the Australian Charities and Not-for-profits Commission Act 2012. The College is a not-for-profit entity for the purposes of preparing the financial statements.

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

Statement of compliance

The financial statements of the College comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. These new or amended accounting standards have no material impact on these financial statements

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards or Interpretations that are most relevant to the college:

The IFRS Interpretations Committee released a new interpretation of accounting for cloud computing. ‘Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets)’. The college has looked at the historical amounts backdated seven years which have been capitalised as intangible assets and re-assessed whether they have been appropriately capitalised in line with the new interpretation. Based on the review carried out, there was no material difference noted under the new interpretation adopted.

Historical cost convention

The financial report has been prepared on an accruals basis and is based on historical costs, modified in the cases of assets measured at fair value.

Other financial assets

Classification of financial assets at fair value through profit and loss for the year

Financial assets are classified as at fair value through profit or loss. Investments are included in non-current assets unless management intends to dispose of investments within 12 months of the balance sheet date.

Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the statement of profit or loss and other comprehensive income in the period in which they arise. Financial assets comprise principally marketable equity securities.

Recognition and measurement

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

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

Impairment of financial assets

AASB 9’s impairment requirements use more forward looking information to recognize expected credit losses - the ‘expected credit losses (ECL) model’. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and Fair Value through Other Comprehensive Income (FVOCI), trade receivables and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The College considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Foreign currency translation

Functional and presentational currency

Items included in the financial statements of the College are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency'). The financial statements of the College are presented in Australian dollars, which is its presentation currency.

Transactions and balances

All foreign currency transactions during the year have been brought to account at the average exchange rate for the current financial year. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Results and financial position of the New Zealand national office – foreign operation

The results and financial position of the College's New Zealand national office that has a functional currency (NZD) different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the reporting date;
- income and expenses are translated at average exchange rates.

Property and office equipment

Land, property, office equipment, and cultural assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Property and office equipment are depreciated on a straight line basis over their useful lives to the economic entity commencing from the time the asset is held ready for use. Land and cultural assets are not depreciated. Estimated useful life is as follows:

Category	Useful life (years)
Buildings	20 - 40
Office equipment	5
Office furniture and fittings	10
Computer hardware/software	3

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (refer to 'Impairment of Assets' policy below).
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the profit and loss for the year.

Intangible Assets

Costs incurred in developing the software and educational curriculum material are recognised as an intangible asset when it is probable that the costs incurred to develop the software or curriculum will generate future economic benefits and can be measured reliably. The expenditure recognised comprises all directly attributable costs, largely consisting of labour and direct costs of materials. Other development expenditure that does not meet these criteria are recognised as an expense as incurred. The recognised costs are amortised from the date when the asset becomes available for use.

Amortisation is calculated on a straight line basis over periods generally ranging from 3 to 10 years.

Impairment of non-current assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. As the future economic benefits of the company's non-current assets is not primarily dependent on their ability to generate net cash inflows, and the company would replace the remaining future economic benefit of the asset if deprived of those assets, the recoverable amount is based on value in use, being the depreciated replacement cost of the asset. All impairment losses are recognised in the statement of profit or loss and other comprehensive income. A reversal of an impairment loss is recognised immediately in the profit and loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the assets in prior years.

Goods and services tax (GST)

Revenues from ordinary activities, expenses from ordinary activities and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or part of the item of the expenses from ordinary activities. Receivables and payables are stated with the amount of GST included.

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

Items in the Statement of Cash Flows are inclusive of GST where appropriate. The GST components of cash flows arising from investing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flows.

Exemption from income tax

The College is exempt from income tax pursuant to Section 50-5 of the Income Tax Assessment Act 1997.

Employee benefits

The College has recognised and brought to account employee benefits as follows:-

Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in trade and other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to the expected future wage and salary levels, experience of employee, departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

College treasures

Over time, valuable College treasures including the Geoffrey Kaye Museum of Anaesthetic History and Artefacts have been gifted to the College. These assets have not been brought to account in these financial statements.

At 31 December 2021, these treasures were insured for a value of $300,000.

Research grants

Research grants are expensed in the financial year in which the grant expense is incurred.

Trade receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days for all debtors except for Fellows who have 6 months to pay their subscriptions as determined by the ANZCA Constitution.

The College makes use of a simplified approach in accounting for trade receivables and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the College uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The College assess impairment of trade receivables on a collective basis as they possess credit risk characteristics based on the days past due.

Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss and other comprehensive income.

Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and that are unpaid. The amounts are unsecured and are usually paid within 60 days of recognition.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Revenue recognition

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

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

Revenue is recognised for the major business activities on the following bases:

- **Membership subscriptions**
  Subscriptions are recorded as revenue in the year to which the subscription relates. Subscriptions received in advance are shown in the Statement of Financial Position as contract liabilities.
- **Other fees**
  (i) Fellowship entrance & election fees
  The College receives fees from applicants wishing to obtain full fellowship which is deferred and recognised over the average duration of membership. These fees, as currently defined, are not considered a distinct service but rather it is also considered to be an advance payment for future services with the primary performance obligation being the licence to use the professional designation to practice. The College has determined the average duration of membership to be 30 years based on the profile of members who have exited over the past few years.

  The College recognises the amortisation of the previously deferred revenue during the period, as well as any residual deferred revenue relating to a member that exits during the period.

Entrance fees beyond the current financial year are shown, (excluding any applicable taxes), in the Statement of Financial Position, under the headings of Current liabilities and Non-current liabilities as contract liability.

(ii) Application fees
A non-refundable application fee must be paid by all medical practitioners wishing to undertake the ANZCA vocational training program. The application fee, as currently defined, is not considered a distinct service but rather to be an advance payment for future services with the primary performance obligation being the use of certain services by of the College up to 2 years prior to commencing training.

(iii) Training registration fees
A non-refundable registration fees must be paid by trainees prior to commencing approved vocational training. The training registration fees, as currently defined, is not considered a distinct service but rather to be an advance payment for future services with the primary performance obligation being the trainee to undertake approved vocational training over 5 years.

(iv) All other fees

For all other fees, the College recognises revenue when the performance obligation is satisfied which is usually at a point in time. All other fees received in advance are shown in the Statement of Financial Position as current liabilities.

- **Revenue from conference, courses and examinations**
  All revenue and expenditure relating to specific courses/examinations is recognised upon completion of the course/examination. Course and examination fees received in advance are shown in the Statement of Financial Position as current liabilities.
- **Specific purpose grants**
  Grant funding is measured at the fair value of contributions received and receivable and is generally recognised in the profit and loss when the College obtains control or the right to receive the contribution. The grant agreements contain conditions that require the College direct funds towards certain specific ends and require that funds not spent in this manner, or not spent at all, are returned to the transferor.
- **Interest income**
  Interest income is recognised when earned.
- **Dividends**
  Dividends are recognised as revenue when the right to receive payment is established.
- **Donations**
  Donations are recognised at the time the pledge is made.
- **JobKeeper Payment**
  Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. The Government wage subsidies are recorded as Covid-19 Stimulus grants in the Statement of Profit or Loss and Other Comprehensive Income.

Right of use assets

A right of use asset is recognised at the commencement date of a lease. The right of use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred.

Right of use assets are depreciated on a straight line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities. Estimated useful life is as follows:

Category	Useful life (years)
Offices	2.5 to 4.8
Equipment	1

The College has elected not to recognise a right of use asset and corresponding lease liability for short term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Leases liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the College's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonable certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lese term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right of use asset, or to profit or loss if the carrying amount of the right of use asset is fully written down.

3. Critical accounting judgments and key sources of estimation uncertainty

In the application of the College's accounting policies, which are described in note 2, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

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

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

- **Historical experience**

The new training program and internally generated intangible assets life estimation that is based on the following key sources:

- Historical experience. The training program content was updated in 2013. It is the College's current intention to use the revised training program content for at least 10 years from that date. It is the College's intention is to conduct some incremental improvements over time.

Any externally and internally available historical experience with regards to the other internally generated intangible assets.

- Reliance on expert's estimates. The life of the training portfolio system has 7 years life expectancy and was determined in consultation with the external experts who built the software. The life of the other internally generated intangible assets is determined in consultation with experts, who are involved in development of these assets and usually range within 3-7 years.

- **Employee benefits provision**

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

- **Estimation of useful lives of assets**

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

- **Impairment of non-financial assets**

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

- **Credit Risks**

Expected Credit Losses ("ECL") are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. AASB 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the College takes into account qualitative and quantitative reasonable and supportable forward-looking information.

4. Expenses

	2021 $	2020 $
Surplus for the year includes the following specific expenses:		
(Gains) on fixed assets disposal	(8,456)	(653)
Foreign currency (gains)/losses	(23,189)	2,763
Bad and doubtful debts	48,342	8,365
Depreciation-buildings	345,044	312,927
Depreciation-office equipment	835,275	666,250
Amortisation-intangible assets	1,030,089	1,120,414
Rental expense relating to operating leases	70,573	51,297
Impairment	-	224,104

5. Investment Income

	2021 $	2020 $
Net gain on valuation of other financial assets at fair value through profit and loss	1,887,650	222,894
Dividends and other investment income (including realised gains)	1,269,809	894,791
Interest received	62,926	79,038
Total Investment income	**3,220,385**	**1,196,723**

6. Current assets – Trade and other receivables

	2021 $	2020 $
Subscriptions	127,499	43,717
Allowance for expected credit losses	(61,846)	(18,135)
	65,653	**25,582**
Prepayments and deposits	1,687,789	1,730,124
Sundry receivables	360,646	1,151,814
Total Trade and other receivables	**2,114,088**	**2,907,520**
Movements in the allowance for expected credit losses:		
At 1 January	25,582	13,141
Provision for impairment recognised during the year	36,264	12,441
	61,846	**25,582**

7. Other financial assets

	2021 $	2020 $
Financial assets at fair value through profit or loss include the following:		
Current financial assets		
Term deposits	1,664,272	4,183,275
Non-current financial assets		
Investments at fair value through profit and loss	30,965,754	24,082,086
Aggregate other financial assets	**32,630,026**	**28,265,361**

Changes in fair values of financial assets at fair value through profit or loss are recorded in investment income in the statement of profit or loss and other comprehensive income (note 5).

Movements in non-current financial assets at the end of current financial year.

	2021 $	2020 $
Opening Balance	**24,082,086**	**23,142,163**
Funds transferred in	3,916,957	-
Unrealised gain	1,791,150	222,894
Investment income	1,313,108	837,972
Management fees	(137,547)	(120,943)
Closing Balance	**30,965,754**	**24,082,086**

8. Non-current assets – Property, office equipment and cultural assets

	2021 $	2020 $
Freehold land and buildings – at cost	13,895,706	13,408,798
Accumulated depreciation	(5,672,126)	(5,326,871)
	8,223,580	**8,081,927**
Office equipment – at cost	6,856,623	7,061,985
Accumulated depreciation	(4,674,352)	(4,724,898)
	2,182,271	**2,337,087**
Right of use assets	2,542,556	1,949,678
Accumulated Depreciation	(1,144,177)	(716,716)
	1,398,379	**1,232,962**
Cultural assets - at cost	450,027	450,027
Total carrying amount at 31 December	**12,254,257**	**12,102,003**

Movement in carrying amounts for each class of property, office equipment and cultural assets between the beginning and the end of the current financial year.

	Freehold land and buildings $	Office equipment $	Right of use assets $	Cultural assets $	Total $
Opening net book amount	**8,081,927**	**2,337,087**	**1,232,962**	**450,027**	**12,102,003**
Exchange differences	271	713	-	-	984
Transfer in/(out)	303,177	35,892	-	-	339,069
Additions	183,249	643,854	592,877	-	1,419,980
Depreciation charge	(345,044)	(835,275)	(427,460)	-	(1,607,779)
Closing net book amount	**8,223,580**	**2,182,271**	**1,398,379**	**450,027**	**12,254,257**

9. Non-current assets - Intangible Assets

	2021 $	2020 $
Project development costs	4,409,273	4,409,273
Impairment	-	(224,104)
Accumulated amortisation	(3,839,363)	(3,012,630)
	569,910	**1,172,539**
Project work in progress	134,248	26,431
Total carrying amount at 31 December	**704,158**	**1,198,970**

Movement in carrying amounts for each class of intangible assets between the beginning and the end of the current financial year.

	Project development at cost $	Project work in progress at cost $	Total $
Opening net book amount	**1,172,539**	**26,431**	**1,198,970**
Addition	-	446,886	446,886
Transfer in/(out)	-	(339,069)	(339,069)
Amortisation charge	(602,629)	-	(602,629)
Closing net book amount	**569,910**	**134,248**	**704,158**

10. Current liabilities - Trade and other payables

	2021 $	2020 $
Current		
Sundry creditor and accruals	1,437,268	2,236,649
Sundry creditor and accruals – STP related	8,704,450	8,358,824
Employee leave liabilities	1,330,844	1,010,637
Total Trade and other payables	**12,472,562**	**11,606,110**

11. Contract liability

	2021 $	2020 $
Current		
Subscriptions received in advance	6,054,616	5,273,202
Entrance, exam, trainee and events fees received in advance	5,683,477	5,571,364
	11,738,093	**10,844,566**
Non-Current		
Entrance, exam, trainee and events fees received in advance	3,589,235	3,332,391
	3,589,235	**3,332,391**
Total Other liabilities	**15,327,328**	**14,176,957**

12. Provisions

	2021 $	2020 $
Current		
Long service leave	953,250	709,977
Non-current		
Long service leave	248,262	257,757
Aggregate provision for employee benefits	**1,201,512**	**967,734**

13. Leases

	2021 $	2020 $
Current		
Lease liabilities	245,021	438,862
Non-current		
Lease liabilities	1,295,960	936,803
Total Lease Liabilities	**1,540,981**	**1,375,665**

The table below describes the nature of the College's leasing activities by type of right of use asset recognised on balance sheet:

Right of use asset	No of right of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of lease with options to purchase	No of leases with variable payments linked to an index	No of leases with termination options
Offices	5	2.5 – 4.8 Years	3.6 Years	5	-	-	-
Equipment	1	1.25 Years	1.25 Years	-	-	-	-

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2021 were as follows:

	Minimum lease payments due						
	Within 1 year	**1-2 years**	**2-3 years**	**3-4 years**	**4-5 years**	**After 5 years**	**Total**
31 December 2021							
Lease payments	474,357	484,989	411,305	209,310	121,495	-	1,701,456
Finance charges	(72,419)	(49,923)	(26,235)	(10,706)	(2,760)	-	(162,043)
Net present values	**401,938**	**435,066**	**385,070**	**198,604**	**118,735**	**-**	**1,539,413**

14. Bank Guarantees

The Company has entered into an indemnity guarantee with the ANZ bank for rental bonds on office premises. The total facility is for $91,872 (2020: $65,289).

15. Financial instruments

	Note	2021 $	2020 $
Financial Assets			
Investments at fair value through profit and loss			
- Interest bearing	7	11,270,965	12,399,985
- Managed share/units portfolio	7	21,359,061	15,865,376
Total Financial Assets		**32,630,026**	**28,265,361**

The Investment Sub-Committee comprising representatives of the Council independent investment adviser and senior management was merged into Finance, Audit and Risk Management Committee (FARM) in 2020. This committee meets on a periodic basis to analyse interest rates exposure and to evaluate treasury management strategies in the context of current economic conditions and forecasts. The FARM is advised by the College's investment managers, JB Were Pty Ltd. The FARM identifies and evaluates financial risks and advises Council accordingly.

The fair value of financial instruments is determined by the College’s investment managers, JB Were Pty Ltd. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on the quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the College is the current bid price.

16. Key management personnel compensation

The aggregate compensation made to key management personnel of the College is set out below:

	2021 $	2020 $
Key management personnel salaries and entitlements	379,534	315,114

17. Related party transactions

Key management personnel compensation

Disclosures relating to key management personnel compensation are set out in note 16.

Key management personnel loans

There are no loans to or from key management personnel.

Transactions with key management personnel

Key management personnel have transactions with the College that occur within a normal supplier / customer relationship on terms and conditions no more favourable than those with which it is reasonable to expect the College would have adopted if dealing with key management personnel at arm’s length in similar circumstances. These transactions include the collection of membership dues and subscriptions and the provision of College services.

18. Members' Guarantee

The Australian and New Zealand College of Anaesthetists is a company limited by guarantee and without share capital. If the company is wound up, the articles of association state that each member is required to contribute a maximum of $50 towards meeting the outstanding obligations of the company. At 31 December 2021, the number of members was 7,017 (2020: 6,843).

19. Subsequent events

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

20. Contingencies

The directors are not aware of any material contingent assets/liabilities as at 31 December 2021.