



ANZCA
FPM

AUSTRALIAN & NEW ZEALAND COLLEGE OF ANAESTHETISTS

(ABN 82 055 042 852)

ANNUAL REPORT

For the year ended 31 December 2020

Table of Contents

Directors Report.....	3
Auditor’s Independent Declaration	14
Independent Auditor’s Report	15
Directors’ declaration	17
Statement of Profit or Loss and Other Comprehensive Income.....	18
Statement of Financial Position	19
Statement of Changes in Equity.....	20
Statement of Cash Flows	21
Notes to the financial statements	22
1. General Information	22
2. Significant accounting policies	22
3. Critical accounting judgments and key sources of estimation uncertainty.....	30
4. Expenses.....	32
5. Investment Income	32
6. Current assets – Trade and other receivables	32
7. Other financial assets.....	33
8. Non-current assets – Property, office equipment and cultural assets	33
9. Non-current assets - Intangible Assets	34
10. Current liabilities - Trade and other payables	34
11. Contract liability.....	34
12. Provisions	35
13. Leases.....	35
14. Bank Guarantees.....	35
15. Financial instruments.....	36
16. Key management personnel compensation	36
17. Related party transactions.....	36
18. Members’ Guarantee.....	37
19. Subsequent events.....	37
20. Contingencies.....	37

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 2020. The College maintained its primary objective for the period under review.

The Directors submit their report for the year ended 31 December 2020 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; FFA (SA) 1992; FAICD; Auckland City Hospital, NZ
Vice-President Dr C J Cokis	FANZCA 1997; MBBS, Fiona Stanley Hospital, WA
Honorary Treasurer Dr C J Cokis	FANZCA 1997; MBBS, Fiona Stanley Hospital, WA

Directors of the College

Dr M Craigie	FANZCA 1992; FFPMANZCA 2001; CALHN Pain Management Unit, Queen Elizabeth Hospital, SA (Resigned 4 May 2020)
Dr D Devonshire	FANZCA 1998; Monash Medical Centre, VIC (Appointed 4 May 2020)
Dr M R R Jones	FANZCA 1992; (FFARACS 1991); Royal Prince Alfred Hospital, NSW
Dr S C Y Ma	FANZCA 2013; AFRACMA 2016; BMBS 2005; BMedSc 2002; GAICD 2016; Women's and Children's Hospital, Adelaide (Appointed 3 May 2019)
Dr M S McManus	FANZCA 2003; FCICM 2015; GAICD; Cairns Hospital, QLD
Dr S D Marshall	FANZCA 2006; MRCA 2002; MAICD 2020; Peninsula Health, VIC (Appointed 4 May 2020)
Dr R G Mitchell	FANZCA 2004; FAICD; Queen Elizabeth & Lyell McEwin Hospitals, SA
Dr N N Robertson	FANZCA 1992 (FFARACS 1990); Auckland City Hospital, NZ
Professor D A Scott	FANZCA 1992; (FFARACS 1986); FFPMANZCA 2005; MBBS (Hons) (Monash) 1979; PhD (University Melb) 2004; St Vincent's Hospital, Melbourne Vic (Resigned 4 May 2020)
Dr T Selak	FANZCA 2009; Wollongong Hospital, NSW (Appointed 4 May 2020)
Professor D Story	FANZCA 1997; Austin Health, VIC

Annual Report 2020

Dr M Turner	FANZCA 2018; Children's Hospital Westmead, NSW (Appointed 4 May 2020)
Dr R D Thomas	FANZCA 1992; (FFARACS 1991); MPH (Monash) 2003; GC Health Informatics (Monash) 2005; MBBS (Monash) 1982; MAICD; St Vincent's Hospital, Vic (Resigned 4 May 2020)
Associate Professor M Vagg	FFPMANZCA 2007; Pain Matrix, VIC (Appointed 4 May 2020)
Dr C Vien	FANZCA 2017; MBBS; GAICD; St Vincent's Hospital, Vic (Resigned 4 May 2020)
Associate Professor L Watterson	FANZCA 1997; MBBS 1989; FANZCA (1997); Master of Clinical Education 2007; Grad Dip Coach Leadership (2019); FAICD; Royal North Shore Hospital NSW (Appointed 3 May 2019)
Associate Professor D Wilson	FANZCA 1998; MBBS 1984; Associate Fellowship RACMA 2015; GAICD 2017; North West Regional Hospital, TAS (Appointed 3 May 2019)

Information on Directors

Name	Dr V S Beavis
Qualifications	FANZCA 1999; FFA (SA) 1992; MB BCh 1982
Experience	Member of Council since May 2012; Fellow of ANZCA for 21 years
Special Responsibilities	President and Council Member

Name	Dr C J Cokis
Qualifications	FANZCA 1997; MBBS
Experience	Member of Council since May 2016; Fellow of ANZCA for 23 years
Special Responsibilities	Vice President, Honorary Treasurer and Council Member

Name	Dr M Craigie (Resigned 4 May 2020)
Qualifications	FANZCA 1992; FFPMANZCA 2001; MBBS, B Med Sc; MM(PM), GAICD
Experience	Member of Council since May 2018; Fellow of ANZCA for 28 years
Special Responsibilities	FPM Dean and Council Member

Annual Report 2020

Name	Dr D Devonshire (Appointed 4 May 2020)
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 22 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 29 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 7 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 17 years
Special Responsibilities	Council Member

Annual Report 2020

Name	Dr S D Marshall (Appointed 4 May 2020)
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 14 years
Special Responsibilities	Council Member

Name	Dr R G Mitchell
Qualifications	FANZCA 2004; BMBS 1988; DA (UK) 1991; DRACOG 1992; FRACGP 1995; FAICD 2015
Experience	Member of Council since 2009; Fellow of ANZCA for 16 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 30 years
Special Responsibilities	Council Member

Name	Professor D A Scott (Resigned 4 May 2020)
Qualifications	FANZCA 1992; (FFARACS 1986); FFPMANZCA 2005; MBBS (Hons) (Monash) 1979; PhD (University Melb) 2004
Experience	Member of Council since 2008; Fellow of ANZCA/FARACS for 34 years
Special Responsibilities	Council member

Name	Dr T Selak (Appointed 4 May 2020)
Qualifications	FANZCA 2009; BHB 1998; MBChB 2001
Experience	Member of Council since May 2020; Fellow of ANZCA for 11 years
Special Responsibilities	Council member

Annual Report 2020

Name	Professor D Story (Appointed 4 May 2020)
Qualifications	FANZCA 1997; MBBS (Hons) (Monash) 1989; MBS (Hons) (Monash) 1986; MD (Melb) 2004
Experience	Member of Council since 2020; Fellow of ANZCA for 23 years
Special Responsibilities	Council member

Name	Dr M Turner (Appointed 4 May 2020)
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 2 years
Special Responsibilities	Council member

Name	Dr R D Thomas (Resigned 4 May 2020)
Qualifications	FANZCA 1992; FFARACS 1991; MPH (Monash) 2003; GC Health Informatics (Monash) 2005; MBBS (Monash) 1982; MAICD
Experience	Member of Council from May 2014; Fellow of ANZCA for 29 years
Special Responsibilities	Council Member

Name	Associate Professor M Vagg (Appointed 4 May 2020)
Qualifications	FFPMANZCA 2007; MBBS(Hons) 1994, FAFRM(RACP) 2005
Experience	Member of Council since 2020; Fellow of FFPANZCA for 13 years
Special Responsibilities	FPM Dean and Council Member

Name	Dr C Vien (Resigned 4 May 2020)
Qualifications	FANZCA 2017; MBBS; FANZCA; GAICD
Experience	Member of Council from 2018 onwards; Fellow of ANZCA for 3 year
Special Responsibilities	Council Member

Name	Associate Professor L Watterson (Appointed 3 May 2019)
Qualifications	FANZCA 1997; MBBS 1989; FANZCA (1997); Master of Clinical Education 2007; Grad Dip Coach Leadership (2019); FAICD
Experience	Member of Council from 2019; Fellow of ANZCA for 22 years
Special Responsibilities	Council Member

Name	Associate Professor D Wilson (Appointed 3 May 2019)
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 2020 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 had a significant impact on the operations of the College during 2020 and to some extent continues into 2021. Not unlike many organisations, the College moved to work-from-home conditions from mid-March and many planned activities had to be either cancelled or deferred. The strong underlying financial position of College is testament to the efforts that all divisions have made to ensure that core activities such as exams could be substantially undertaken albeit in a revised format, or in the instance of cancellations, that appropriate negotiation was made with vendors to ensure that there was minimal loss of deposits.

Notably, the College was eligible to for Commonwealth Government COVID-19 stimulus grants (JobKeeper). This grant has allowed the College to continue to employ staff with confidence during otherwise turbulent global financial conditions.

The College has recorded an operating surplus of \$6.282m (2019: \$310k surplus) for the year ended 31 December 2020. Total revenue was \$38.557m (2019: \$40.243m) and total operating expenditure for the year was \$32.276mm (2019: \$39.933m).

Lower income was predominantly driven through COVID-19 related cancellation of conferences and courses, notably the 2020 ASM (\$5.256m lower than 2019). Reductions in registration, training and exam fees are largely a result of the deferral of the Final Exam 20.2 Anaesthetic Vivas.

Increases in subscriptions and entry fees are predominantly volume driven, with Australian fees only incurring a CPI increase of 1.6% and New Zealand fees remaining at 2019 levels.

The COVID-19 JobKeeper stimulus grants have contributed \$3.572m to income, largely offsetting the reductions in conference and course income. Further government grants for Education Strategy; and Opioid Education grants, both awarded to FPM contributed \$0.830m to income in 2020. The Education Strategy grant is of particular note as this provided sales revenue for the Better Pain Management program with minimal associated expenditure.

Whilst income has decreased by \$1.686m after accounting for government grants, expenses dropped by \$7.657m, explaining the reported surplus.

Employment costs fell by \$0.932m as there were a number of vacant roles throughout the year, for which recruitment was delayed due to COVID-19. Reductions in other employment costs such as training, recruitment, and staff seminars and conferences also contributed to the lower employment costs.

Unsurprisingly with the cancellation of many conferences and courses, travel and event related costs fell by \$5.994m. This reduction reflects both the travel restrictions in place during 2020 as well as the efforts of staff to negotiate roll-over or returns of deposits.

Facilities costs have reduced reflecting the full year impact of negotiated reduced rents in Queensland; reduced repairs and other operating expenses due to working from home and other COVID-19 restrictions impacts.

The College has impaired \$224k of assets at the end of the year after carrying out its annual review. These assets represented a number of building renovations written off over an extended period and prior year project work in progress which has been expensed as incurred as per the College operating policy.

The investment portfolio has generated income of \$895k (2019: \$1.340m). The global equity market fluctuated significantly in 2020 due to the COVID-19 pandemic which saw the sharp decline in the global equity market at the first quarter of 2020. The global equity market recovered at the last quarter of the year and the College has recorded a gain in value of the investment portfolio of \$223k (2019: gain of \$2.163m).

The College traditionally generates positive cash flows from operating activities. In 2020, the College generated \$7.210m (2019: \$3.330m) of cash flow from operating activities. The higher amount compared to prior year can be attributed to receipt of COVID-19 stimulus and other government grants. Further, with government restrictions such as maintaining social distancing requirements, quarantine, travel restrictions, the College was unable to carry out the majority of its planned face to face activities which further reduced expenses.

All JobKeeper funds received will be placed into the College's investment portfolio to be drawn down for planned essential infrastructure and projects. This prudent use of the funds preserves the capital of the existing investment portfolio which would be otherwise drawn down on to fund these activities.

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 2020 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 impact of the Coronavirus (COVID-19) pandemic is ongoing, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly evolving and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The College anticipates that in 2021 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 continue to be 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	<p>The College will lead the development of:</p> <ul style="list-style-type: none"> • a collaborative, integrated and effective model of perioperative medicine. • pain medicine training in standards and training for procedural interventions.
GROWING	<p>The College will:</p> <ul style="list-style-type: none"> • 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	<p>The College will sustain and support global leadership in research by:</p> <ul style="list-style-type: none"> • 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	<p>The College will foster strong relationships with its fellows, trainees and SIMGs by:</p> <ul style="list-style-type: none"> • 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	<p>The College will:</p> <ul style="list-style-type: none"> • 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 M Craigie (Resigned 4 May 2020)	2	2
Dr D Devonshire (Appointed 4 May 2020)	5	5
Dr M R R Jones	7	7
Dr S C Y Ma	7	7
Dr M S McManus	7	7
Dr S D Marshall	5	5
Dr R G Mitchell	7	7
Dr N N Robertson	7	7
Professor D A Scott (Resigned 4 May 2020)	2	2
Professor D Story (Appointed 4 May 2020)	5	5
Dr T Selak (Appointed 4 May 2020)	5	5
Dr R D Thomas (Resigned 4 May 2020)	2	2
Dr M Turner (Appointed 4 May 2020)	5	5
Associate Professor M Vagg (Appointed 4 May 2020)	2	2
Dr C Vien (Resigned 4 May 2020)	2	2
Dr L M Watterson	7	7
Dr D J Wilson	7	7

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 2020 and the number of meetings attended by each committee member was:

Name	Eligible to attend	Attended
Mr R Garvey (Chair)	4	3
Dr V Beavis (President)	4	4
Dr C Cokis (Honorary Treasurer) (Appointed 4 May 2020)	2	2
Dr R G Mitchell (Immediate Past President)	2	2
D M S McManus (Honorary Treasurer)	2	2
A/Professor Mick Vagg (Member)	4	4
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 2020, the total amount that members of the company are liable to contribute if the company is wound up is \$342,150 (2019: \$331,950)

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, 10 April 2021



Dr C J Cokis
Vice President
Melbourne, 10 April 2021

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 2020, 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 Audit Pty Ltd
Chartered Accountants



T S Jackman
Partner – Audit & Assurance

Melbourne, 10 April 2021

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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 2020, 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 2020 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 2020, 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 Registered Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Registered Entity'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 Registered Entity or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Registered Entity's financial reporting process.

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 Audit Pty Ltd
Chartered Accountants



T S Jackman
Partner – Audit & Assurance

Melbourne, 10 April 2021

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 2020 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, 10 April 2021



Dr C J Cokis
Vice President
Melbourne, 10 April 2021

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2020

	Note	2020 \$	2019 \$
Revenue			
Subscriptions and entry fees		13,497,823	12,733,253
Registrations, training and exam fees		10,028,291	11,489,803
Conference and course fees		637,042	5,893,407
Specialist training program grant		8,055,516	7,709,130
Government grants - other		830,308	10,000
Covid-19 stimulus grants		3,572,050	-
Other income		2,099,881	2,417,610
Total revenue from operating activities		38,557,228	40,243,203
Expenses			
Employment		14,459,372	15,390,530
Facilities		2,160,491	2,648,800
Travel and events		1,479,855	7,473,728
Information technology		2,763,214	3,334,613
Professional services		1,298,533	1,413,084
Research grants		1,768,654	1,577,442
Specialist training program employment and rural loading		7,337,584	6,986,695
Finance costs		87,340	55,450
Other expenses		920,473	1,052,646
Total expenses from operating activities	4	32,275,516	39,932,988
Surplus/(Deficit) before non-operating activities		6,281,712	310,215
Income from non-operating activities			
Fair value movements of financial assets	5	1,196,723	3,656,583
Surplus/(Deficit) for the year		7,478,435	3,966,798
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(58,736)	5,766
Total comprehensive income / (deficit) for the year		7,419,699	3,972,564

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 22 to 37.

Statement of Financial Position

As at 31 December 2020

	Note	2020 \$	2019 \$
ASSETS			
Current assets			
Cash and cash equivalents		13,907,521	9,438,236
Cash and cash equivalents – STP related		8,783,622	9,509,111
Trade and other receivables	6	2,907,520	2,452,739
Other financial assets	7	4,183,275	2,013,465
Total current assets		29,781,938	23,413,551
Non-current assets			
Property and office equipment and cultural assets	8	12,102,003	12,901,517
Intangible assets	9	1,198,970	1,928,878
Other financial assets	7	24,082,086	23,142,164
Total non-current assets		37,383,059	37,972,559
Total assets		67,164,997	61,386,110
LIABILITIES			
Current liabilities			
Trade and other payables	10	11,606,110	12,761,530
Contract liability	11	10,844,566	10,998,597
Provisions	12	709,977	719,387
Lease liabilities	13	438,862	414,605
Total current liabilities		23,599,515	24,894,119
Non-current liabilities			
Contract liability	11	3,332,391	3,238,360
Provisions	12	257,757	263,494
Lease liabilities	13	936,803	1,371,305
Total non-current liabilities		4,526,951	4,873,159
Total liabilities		28,126,466	29,767,278
Net assets		39,038,531	31,618,832
EQUITY			
Retained earnings		38,575,519	31,097,084
Foreign currency translation reserve		171,855	230,591
Asset revaluation reserve		291,157	291,157
Total equity		39,038,531	31,618,832

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 22 to 37.

Statement of Changes in Equity

For the year ended 31 December 2020

	Note	Retained Earnings	Foreign currency translation reserve	Assets revaluation reserve	Total
		\$	\$	\$	\$
Balance at 1 January 2019		27,130,286	224,825	291,157	27,646,268
Surplus for the year		3,966,798	-	-	3,966,798
Currency translation differences arising during the year		-	5,766	-	5,766
Total comprehensive income for the year		3,966,798	5,766	-	3,972,564
Balance at 31 December 2019		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

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 22 to 37.

Statement of Cash Flows
For the year ended 31 December 2020

	2020 \$	2019 \$
Cash flows from operating activities		
Receipts from members, customers and Government bodies	39,689,113	46,915,088
COVID-19 Stimulus received	3,572,050	-
Interest received	79,038	153,877
Donations received	122,047	121,763
Payments to employees, suppliers and other parties	(34,437,677)	(42,236,610)
Research grants paid	(1,814,880)	(1,623,668)
Net cash inflow from operating activities	7,209,691	3,330,450
Cash flows from investing activities		
Payments for purchases of financial assets	(2,208,608)	(1,759,585)
Payments for property and office equipment	(605,914)	(692,873)
Payments for project development	(192,695)	(99,470)
Net cash outflow from investing activities	(3,007,217)	(2,551,928)
Cash flows from financing activities		
Lease liabilities payments	(407,478)	(217,062)
Net cash outflow from financing activities	(407,478)	(217,062)
Net increase/(decrease) in cash and cash equivalents	3,794,996	561,460
Cash and cash equivalents at the beginning of the financial year	18,947,347	18,361,122
Total effect of exchange rate fluctuation of cash held	(51,200)	24,765
Cash and cash equivalents at the end of the financial year	22,691,143	18,947,347

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 22 to 37.

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 10 April 2021. 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.

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 2020, 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.
- **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	0.5 to 4
Equipment	3

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; lease 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.

- **Coronavirus (COVID-19) pandemic**

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the College based on known information. This consideration extends to the nature of the services offered, fellows and trainees, suppliers, staffing and geographic regions in which the College operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the College unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

4. Expenses

	2020 \$	2019 \$
Surplus for the year includes the following specific expenses:		
(Gains) on fixed assets disposal	(653)	(760)
Foreign currency (gains)/losses	2,763	(13,402)
Bad and doubtful debts	8,365	(26,679)
Depreciation-buildings	312,927	290,656
Depreciation-office equipment	666,250	668,700
Amortisation-intangible assets	1,120,414	1,728,716
Rental expense relating to operating leases	51,297	312,110
Impairment	224,104	527,971

5. Investment Income

	2020 \$	2019 \$
Net gain on valuation of other financial assets at fair value through profit and loss	222,894	2,162,586
Dividends and other investment income (including realised gains)	894,791	1,340,120
Interest received	79,038	153,877
Total Investment income	1,196,723	3,656,583

6. Current assets – Trade and other receivables

	2020 \$	2019 \$
Subscriptions	43,717	191,170
Allowance for expected credit losses	(18,135)	(13,141)
	25,582	178,029
Prepayments and deposits	1,730,124	1,754,408
Sundry receivables	1,151,814	520,302
Total Trade and other receivables	2,907,520	2,452,739
Movements in the allowance for expected credit losses:		
At 1 January	13,141	41,248
Provision for impairment recognised during the year	12,441	-
Receivables written off during the year as uncollectible	-	-
Unused amount reversed	-	(28,107)
	25,582	13,141

7. Other financial assets

	2020 \$	2019 \$
Financial assets at fair value through profit or loss include the following:		
Current financial assets		
Term deposits	4,183,275	2,013,465
Non-current financial assets		
Investments at fair value through profit and loss	24,082,086	23,142,164
Aggregate other financial assets	<u>28,265,361</u>	<u>25,155,629</u>

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).

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

	2020 \$	2019 \$
Freehold land and buildings – at cost	13,408,798	13,352,936
Accumulated depreciation	<u>(5,326,871)</u>	<u>(4,872,203)</u>
	8,081,927	8,480,733
Office equipment – at cost	7,061,985	7,189,124
Accumulated depreciation	<u>(4,724,898)</u>	<u>(4,889,799)</u>
	2,337,087	2,299,325
Right of use assets	1,949,678	1,947,523
Accumulated Depreciation	<u>(716,716)</u>	<u>(276,091)</u>
	1,232,962	1,671,432
Cultural assets - at cost	450,027	450,027
Total carrying amount at 31 December	<u>12,102,003</u>	<u>12,901,517</u>

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	8,480,733	2,299,325	1,671,432	450,027	12,901,517
Exchange differences	(1,823)	(403)	(11,022)	-	(13,248)
Impairment	(142,490)	(3,931)	-	-	(146,421)
Additions	58,434	710,796	13,178	-	782,408
Depreciation charge	<u>(312,927)</u>	<u>(668,700)</u>	<u>(440,626)</u>	-	<u>(1,422,253)</u>
Closing net book amount	<u>8,081,927</u>	<u>2,337,087</u>	<u>1,232,962</u>	<u>450,027</u>	<u>12,102,003</u>

9. Non-current assets - Intangible Assets

	2020 \$	2019 \$
Project development costs	4,409,273	11,658,033
Impairment	(224,104)	(527,971)
Accumulated amortisation	(3,012,630)	(9,470,430)
	1,172,539	1,659,632
Project work in progress	26,431	269,246
Total carrying amount at 31 December	1,198,970	1,928,878

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	1,659,632	269,246	1,928,878
Addition	-	26,431	26,431
Transfer in/(out)	192,695	(192,695)	-
Impairment	-	(76,551)	(76,551)
Amortisation charge	(679,788)	-	(679,788)
Closing net book amount	1,172,539	26,431	1,198,970

10. Current liabilities - Trade and other payables

	2020 \$	2019 \$
Current		
Sundry creditor and accruals	10,595,473	11,741,578
Employee leave liabilities	1,010,637	1,019,952
Total Trade and other payables	11,606,110	12,761,530

11. Contract liability

	2020 \$	2019 \$
Current		
Subscriptions received in advance	5,273,202	5,572,875
Entrance, exam, trainee and events fees received in advance	5,571,364	5,425,722
	10,844,566	10,998,597
Non-Current		
Entrance, exam, trainee and events fees received in advance	3,332,391	3,238,360
	3,332,391	3,238,360
Total Other liabilities	14,176,957	14,236,957

12. Provisions

	2020 \$	2019 \$
Current		
Long service leave	709,977	719,387
Non-current		
Long service leave	257,757	263,494
Aggregate provision for employee benefits	<u>967,734</u>	<u>982,881</u>

13. Leases

	2020 \$	2019 \$
Current		
Lease liabilities	438,862	414,605
Non-current		
Lease liabilities	936,803	1,371,305
Total Lease Liabilities	<u>1,375,665</u>	<u>1,785,910</u>

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	0.5 – 4 Years	3.6 Years	3	0	1	0
Equipment	2	2-4 Years	3 Years	0	0	0	0

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2020 were as follows:

	Minimum lease payments due						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	
31 December 2020							
Lease payments	476,341	349,050	354,406	275,288	67,996	-	1,523,081
Finance charges	(64,581)	(45,524)	(28,230)	(10,289)	(1,083)	-	(149,707)
Net present values	<u>411,760</u>	<u>303,526</u>	<u>326,176</u>	<u>264,999</u>	<u>66,913</u>	-	<u>1,373,374</u>

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 \$65,289 (2019: \$65,289).

15. Financial instruments

	Note	2020 \$	2019 \$
Financial Assets			
Investments at fair value through profit and loss			
- Interest bearing	7	12,399,985	8,745,011
- Managed share/units portfolio	7	15,865,376	16,410,618
Total Financial Assets		28,265,361	25,155,629

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 meet 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. In response to the COVID-19 pandemic, a Governance Executive Advisory Group-Finance was set up to meet on a more regular basis (fortnightly initially) to monitor the investment portfolios in order to be able to act on investment advice from the College's investment managers through the initial tumultuous global financial markets that COVID-19 generated.

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:

	2020 \$	2019 \$
Key management personnel salaries and entitlements	315,114	408,726

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 2020, the number of members was 6,843 (2019: 6,639).

19. Subsequent events

No other matter or circumstance has arisen since 31 December 2020 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 2020.