Advanced Paediatric Life Support, Australia

ABN: 49 085 581 362

Financial Statements

For the Year Ended 30 June 2020

Advanced Paediatric Life Support, Australia

ABN: 49 085 581 362

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For the Year Ended 30 June 2020

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Directors' Report

30 June 2020

The directors present their report on Advanced Paediatric Life Support, Australia for the financial year ended 30 June 2020. In order to comply with the provisions of the Australian Charities & Not-for-profits Commisions Act 2012 (ACNC Act), the directors report is as follows:

(a) General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Jason Paul Acworth	
Qualifications	MBBS(Hons) Grad Cert Healthcare Simulation FRACP
Experience	Paediatric Emergency Physician, Queensland Children's Hospital
Special responsibilities	President
Dianne Crellin	
Qualifications	BN, Cert Emerg, PGDPaed, MN, NP, FCENA, PhD
Experience	Nurse Practitioner, Royal Children’s Hospital
Marissa Alexander	
Qualifications	BN, GradCert Paediatric, Child & Youth Health Nursing, CertIV TAE
Experience	Nurse Educator, Queensland Children's Hospital
Ian McCall	
Qualifications	BEc., GAICD
Experience	Independent Non-Executive Director. Extensive experience in consulting and strategy development
Andrew Blanch	
Qualifications	MB BS, FRACP, CHIA
Experience	Chief Medical Information Officer, Chief of Critical Care and Paediatric Emergency Physician, Queensland Children’s Hospital
Jacqueline Schutz	
Qualifications	MBBS, FRACP, Dip Obs
Experience	Paediatric Emergency Physician Women's and Children's Hospital, Adelaide
Andre Kogan	
Qualifications	BN. PGCert Emerg. PGDip Emerg
Experience	Emergency Nurse, Associate Nurse Manager, Monash Emergency. Paediatric Clinical Lead (Nursing), Monash Emergency (Appointed on 25 October 2019)
Lindsay McMillan	
Qualifications	DHs. M.Ed. BHA. FAICD. AFACHSM
Experience	Primary Health Care. Health Administration. Executive and Non-Executive Independent Director

Advanced Paediatric Life Support, Australia

ABN: 49 085 581 362

Directors' Report

30 June 2020

(a) General information

Information on directors

Mike Sheppard	
Qualifications	MBChB, FRACP (PAED EM), MPH
Experience	Paediatric Emergency Specialist, Director of Child Health, Starship Hospital, Auckland NZ

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

Company secretary

The following person held the position of Company Secretary at the end of the financial year:

Rod Wealands (BBus Deakin University, MBA Monash University) has been appointed as the company secretary on 2nd September 2019.

Review of operations

The loss of the Company for the financial year amounted to $ (505,274) (2019: Profit $ 140,201). The Board has implemented measures to ensure the financial position of the Company is sustainable and in line with its short and long term objectives.

Principal activities

The principal activity of Advanced Paediatric Life Support, Australia during the financial year was to provide educational courses on the management of acutely ill and injured children.

No significant changes in the nature of the Company's activity occurred during the financial year.

Short and long term objectives

The Company's short and long term objectives are to promote excellence in emergency care of ill and injured children through the provision of high quality contemporary education programs for health care professionals. These objectives include the continued delivery of the APLS and PLS.

The Company's longer term objectives also include the development of additional courses and resources as and when required to promote excellence in emergency care of ill and injured children.

Strategy for achieving the objectives

The strategies to achieve these abjectives include continuing focus on the delivery of high quality courses and prudent financial management to facilitate ongoing investment in existing and future courses and educational materials and activities.

The deliveries of these courses links directly to the company's objective of promoting excellence in emergency care of ill and injured children.

Directors' Report

30 June 2020

(a) General information

Performance measures

The company measures its performance based on the number of courses held during the year and the enrolments in same. The feedback of course participants is also a measure of the company's performance as is the number of members.

Additionally, the company sets financial budgets and measures its performance against those budgets. These budgets are designed to maximise the quality of courses and the company's ability to achieve its wider objectives in a cost effective manner. The budgets are also designed to take account of future operating requirements in order to ensure that the company is able to make necessary investments in replacement and acquisition of fixed assets, investment in development of course materials and any other activity benefiting the membership and promoting the long term objectives.

The number of courses held during the year were:

	2020 Actual	2020 Benchmark	2019 Actual	2019 Benchmark
Course held				
APLS 3 day course	47	70	69	70
PLS 1 day course	34	48	58	59

Members' guarantee

Advanced Paediatric Life Support, Australia is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to $ 1 each, subject to the provisions of the company's constitution.

At 30 June 2020 the collective liability of members was $ 320 (2019:320).

Directors' Report

30 June 2020

(b) Other items

Meetings of directors

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

	Directors' Meetings	
	Number eligible to attend	Number attended
Jason Paul Acworth	6	6
Dianne Crellin	6	4
Marissa Alexander	6	6
Ian McCall	6	5
Andrew Blanch	6	6
Jacqueline Schutz	6	6
Andre Kogan	6	4
Lindsay McMillan	6	4
Mike Sheppard	6	2

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 30 June 2020 has been received and can be found on page 5 of the financial report.

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

Director: .... Jason Paul Acworth

Director: .... Ian McCall

Dated this 3rd day of December 2020

Advanced Paediatric Life Support, Australia

ABN: 49 085 581 362

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Advanced Paediatric Life Support, Australia

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
Revenue			
Training courses	5	**2,688,347**	3,919,733
Interest income	5	**37,777**	58,439
Sundry income	5	**315,890**	72,163
Government assistance	5	**152,500**	-
Insurance recovery	5	**47,220**	-
		3,241,734	4,050,335
Expenses			
Bank charges		**(21,166)**	(29,702)
Board meeting expenses		**(19,935)**	(40,414)
Development expenses		**(1,815)**	(552)
Training course expenses		**(1,043,198)**	(1,896,519)
Depreciation and amortisation expense	6	**(411,123)**	(136,574)
Office expenses		**(294,010)**	(383,149)
Office lease expense		**(134,843)**	(249,925)
Finance expense		**(68,870)**	-
Other expenses		**(121,672)**	(941)
Payroll expenses	6	**(1,182,143)**	(977,153)
Professional fee expenses		**(66,449)**	(18,200)
Publication expenses		**(381,784)**	(177,005)
		(3,747,008)	(3,910,134)
Surplus / (Deficit) for the year		**(505,274)**	140,201
Total other comprehensive income for the year		**-**	-
Total comprehensive (loss) / income attributable to members		**(505,274)**	140,201

The accompanying notes form part of these financial statements.

Advanced Paediatric Life Support, Australia

ABN: 49 085 581 362

Statement of Financial Position

As At 30 June 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	**1,055,791**	892,132
Trade and other receivables	8	**199,978**	74,543
Inventories	9	**101,251**	68,564
Other financial assets	10	**1,665,662**	2,366,037
Other assets	11	**188,567**	157,843
TOTAL CURRENT ASSETS		**3,211,249**	3,559,119
NON-CURRENT ASSETS			
Other financial assets	10	**2**	2
Property, plant and equipment	13	**418,394**	368,901
Intangible assets	14	**16,492**	24,739
Right-of-use assets	12	**1,030,935**	-
TOTAL NON-CURRENT ASSETS		**1,465,823**	393,642
TOTAL ASSETS		**4,677,072**	3,952,761
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	15	**128,331**	228,872
Short-term provisions	16	**88,767**	86,010
Income received in advance (training courses)		**1,477,366**	1,212,242
Lease liabilities	12	**266,130**	-
TOTAL CURRENT LIABILITIES		**1,960,594**	1,527,124
NON-CURRENT LIABILITIES			
Long-term provisions	16	**7,753**	9,577
Lease liabilities	12	**869,644**	-
TOTAL NON-CURRENT LIABILITIES		**877,397**	9,577
TOTAL LIABILITIES		**2,837,991**	1,536,701
NET ASSETS		**1,839,081**	2,416,060
EQUITY			
Retained surplus		**1,839,081**	2,416,060
TOTAL EQUITY		**1,839,081**	2,416,060

The accompanying notes form part of these financial statements.

Advanced Paediatric Life Support, Australia

ABN: 49 085 581 362

Statement of Changes in Equity

For the Year Ended 30 June 2020

2020

	Retained Surplus	Total
	$	$
Balance at 1 July 2019	**2,416,060**	**2,416,060**
Restatement due to adoption of AASB 16	**(71,705)**	**(71,705)**
Deficit for the year	**(505,274)**	**(505,274)**
Balance at 30 June 2020	**1,839,081**	**1,839,081**

2019

	Retained Surplus	Total
	$	$
Balance at 1 July 2018	2,275,859	2,275,859
Surplus for the year	140,201	140,201
Balance at 30 June 2019	2,416,060	2,416,060

Advanced Paediatric Life Support, Australia

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Statement of Cash Flows

For the Year Ended 30 June 2020

	Note	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**3,343,647**	4,029,306
Payments to suppliers and employees		**(3,490,622)**	(3,805,597)
Interest received		**37,777**	58,439
Net cash (used in) / provided by operating activities	25	**(109,198)**	282,148
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of plant and equipment		**(185,786)**	(70,946)
(Purchase of) / redemption from investments - term deposits		**700,375**	(120,961)
Net cash provided by / (used in) investing activities		**514,589**	(191,907)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of leases (principal)		**(241,732)**	-
Net cash (used in) financing activities		**(241,732)**	-
Net increase / (decrease) in cash and cash equivalents held		**163,659**	90,241
Cash and cash equivalents at beginning of year		**892,132**	801,891
Cash and cash equivalents at end of financial year	7	**1,055,791**	892,132

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2020

The financial report covers Advanced Paediatric Life Support, Australia as an individual entity. Advanced Paediatric Life Support, Australia is a not-for-for profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Advanced Paediatric Life Support, Australia is Australian dollars.

The financial report was authorised for issue by the Directors on 11th December 2020.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board (AASB), the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012*. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

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

2 Change in Accounting Policy

Revenue from Contracts with Customers - Adoption of AASB 15

The Company has adopted AASB 15 *Revenue from Contracts* with Customers and AASB 1058 *Income of Not-for-Profit Entities* for the first time in the current year with a date of initial application of 1 July 2019.

The Company has applied AASB 15 and AASB 1058 using the cumulative effect method which means the comparative information has not been restated and continues to be reported under AASB 111, AASB 118, AASB 1004 and related interpretations. All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The adoption of AASB 15 and AASB 1058 did not have any material impact on the financial performance or position of the Association in either the current or prior financial reporting periods.

Leases - Adoption of AASB 16

The Company has adopted AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method from 1 July 2019 and therefore the comparative information for the year ended 30 June 2019 has not been restated and has been prepared in accordance with AASB 117 *Leases* and associated Accounting Interpretations.

2 Change in Accounting Policy

Leases - Adoption of AASB 16

Impact of adoption of AASB 16

The impact of adopting AASB 16 is described below:

Company as a lessee

Under AASB 117, the Company assessed whether leases were operating or finance leases based on its assessment of whether the significant risks and rewards of ownership had been transferred to the Company or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low value assets).

The Company has elected to use the exception to lease accounting for short-term leases and leases of low value assets, and the lease expense relating to these leases are recognised in the statement of profit or loss on a straight line basis.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition, the Company has used the following expedients:

- contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16;
- lease liabilities have been discounted using the Company's incremental borrowing rate at 1 July 2019;
- right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments;
- a single discount rate was applied to all leases with similar characteristics;
- the right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset;
- excluded leases with an expiry date prior to 30 June 2020 from the statement of financial position and lease expenses for these leases have been recorded on a straight-line basis over the remaining term;
- used hindsight when determining the lease term if the contract contains options to extend or terminate the lease;
- for leases which were classified as finance leases under AASB 117, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are the same value as the leased asset and liability on 30 June 2019.

2 Change in Accounting Policy

Financial statement impact of adoption of AASB 16

The Company has recognised right-of-use assets of $1,305,801 and lease liabilities of $1,377,402 at 1 July 2019, for leases previously classified as operating leases.

The weighted average lessee's incremental borrowing rate applied to lease liabilities at 1 July 2019 was 5.00%.

	Parent
	$
Operating lease commitments at 30 June 2019 financial statements	1,588,251
Discounted using the incremental borrowing rate at 1 July 2019	1,377,402
Lease liabilities recognised at 1 July 2019	1,377,402

3 Summary of Significant Accounting Policies

(a) Income Tax

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

(b) Revenue and other income

For comparative year

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Donations and bequests are recognised as revenue when received unless they are designated for a specific purpose, where they are carried forward as prepaid income on the statement of financial position.

Interest is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Revenue from rendering of a service is recognised upon the delivery of the service to the customer.

3 Summary of Significant Accounting Policies

(b) Revenue and other income

Revenue from contracts with customers

For current year

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer

2. Identify the performance obligations

3. Determine the transaction price

4. Allocate the transaction price to the performance obligations

5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

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

All revenue is stated net of the amount of goods and services tax (GST).

(c) Goods and services tax (GST)

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

Receivables and payable are stated inclusive of GST.

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

(d) Inventories

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

(e) Fair value of assets and liabilities

The Company measures some of its assets and liabilities at fair value. Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

3 Summary of Significant Accounting Policies

(e) Fair value of assets and liabilities

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

(f) Property, plant and equipment

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

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Plant and equipment are measured using the cost model.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 3(h) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a diminishing value or straight line basis over their useful lives to the company commencing from the time the asset is held ready for use.

3 Summary of Significant Accounting Policies

(f) Property, plant and equipment

Depreciation

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

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	20%
Office Equipment	40%
Computer Equipment	40%
Leasehold improvements	8.33%
Medical Equipment	30% - 40%

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise.

(g) Financial instruments

Impairment of Financial Assets

As part of the adoption of AASB 9, the Company adopted consequential amendments to other accounting standards arising from the issue of AASB 9 as follows:

- AASB 101 Presentation of Financial Statements requires the impairment of financial assets to be presented in a separate line item in the statement of profit or loss and other comprehensive income. In the comparative year, this information was presented as part of other expenses.
- AASB 7 Financial Instruments: Disclosures requires amended disclosures due to changes arising from AASB 9, this disclosures have been provided for the current year.

The key changes to the Company's accounting policy and the impact on these financial statements from applying AASB 9 are described below.

Financial Assets

The financial assets of the Company have been reclassified into one of the following categories on adoption of AASB 9 based on primarily the business model in which a financial asset is managed and its contractual cash flow characteristics:

- Measured at amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income - debt instruments (FVOCI - debt)
- Fair value through other comprehensive income - equity instruments (FVOCI - equity).

3 Summary of Significant Accounting Policies

(g) Financial instruments

Financial Assets

The adoption of AASB 9 has has not caused any material adjustments to the reported financial position, performance or cash flow of the Company in the current or prior year.

Impairment of financial assets

The incurred loss model from AASB 139 has been replaced with an expected credit loss model in AASB 9 for assets measured at amortised cost, contract assets and fair value through other comprehensive income. This has not resulted in the earlier recognition of credit loss (bad debt provisions).

(h) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash-generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss.

(i) Intangible Assets

Software

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

(j) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, term deposits that can be broken prior to maturity with a nominal break fee and bank overdrafts.

3 Summary of Significant Accounting Policies

(k) Leases

For comparative year

Lease payments for operating leases, where substantially all of the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the life of the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

For current year

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

This involves an assessment of whether:

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

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

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

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

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

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

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

3 Summary of Significant Accounting Policies

(l) Employee benefits

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

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

(m) Provisions

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

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

(n) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

4 Critical Accounting Estimates and Judgments

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

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

The significant estimates and judgements made have been described below.

Key estimates - provisions

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

Key estimates - receivables

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

Notes to the Financial Statements

For the Year Ended 30 June 2020

5 Revenue and Other Income

		2020	2019
		$	$
Training courses			
- day cources		**151,870**	258,883
- standard courses		**2,536,477**	3,660,850
		2,688,347	3,919,733
Interest income			
- interest received		**37,777**	58,439
Other income			
- venue hire		**39,413**	64,721
- royalty income		**753**	877
- miscellaneous income		**275,724**	6,566
		315,890	72,164
- Insurance recovery	9	**47,220**	-
Government assistance			
- JobKeeper		**90,000**	-
- COVID-19 Cash Flow Boost		**62,500**	-
		152,500	-
Total Revenue		**3,241,734**	3,978,172

Audit Risk Management Assessment – Inventory

In March 2019, an Audit of APLS's Inventory was commenced by the Board and new CEO, Rod Wealands, with the engagement of an external investigation and insurance recovery process.

The outcome of this investigation was $47,220 was recovered under the APLS Insurance policy.

Future risks are now eliminated due to the introduction of new operational inventory management software, risk management auditing framework, processes and policies

6 Result for the Year

The result for the year includes the following specific expenses:

Other expenses:		
Payroll expenses	**1,182,143**	977,153
Depreciation expense	**136,257**	136,574
Amortisation of ROU assets expense	**274,866**	-
Net loss on disposal of property, plant and equipment	**8,282**	36,268

Notes to the Financial Statements

For the Year Ended 30 June 2020

7 Cash and Cash Equivalents

	2020	2019
	$	$
Cash at bank	**1,055,791**	892,132

Reconciliation of cash

Cash and Cash equivalents reported in the statement of cash flows are reconciled to the equivalent items in the statement of financial position as follows:

Cash and cash equivalents	**1,055,791**	892,132

8 Trade and Other Receivables

CURRENT		
Trade receivables	**164,614**	10,349
Provision for impairment	**-**	-
	164,614	10,349
Other receivables	**35,364**	64,194
	199,978	74,543

Current trade receivables are generally on 30- day terms. These receivables are assessed for recoverability and a provision for impairment is recognised when there is objective evidence that an individual trade receivable is impaired. These amounts have been included in other expense items.

The Company does not hold any collateral over any receivables balances.

9 Inventories

CURRENT		
At cost:		
Course consumables	**95,939**	61,591
Manuals	**5,312**	6,973
	101,251	68,564

Audit Risk Management Assessment – Inventory

In March 2019, an Audit of APLS's Inventory was commenced by the Board and new CEO, Rod Wealands, with the engagement of an external investigation and insurance recovery process.

The outcome of this investigation was $47,220 was recovered under the APLS Insurance policy.

Future risks are now eliminated due to the introduction of new operational inventory management software, risk management auditing framework, processes and policies.

Notes to the Financial Statements

For the Year Ended 30 June 2020

10 Financial assets

	2020 $	2019 $
CURRENT		
Term deposits	**1,665,662**	2,366,037
NON-CURRENT		
Shares in unlisted companies	**2**	2

11 Other Assets

	2020 $	2019 $
CURRENT		
Prepayments	**188,567**	157,843

12 Leases

The Company has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

Company as a lessee

The Company has leases over a property.

The Company has chosen not to apply AASB 16 to leases of intangible assets.

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

Terms and conditions of leases

The property lease is for the office premises and has been in place since April 2018. The lease term is 6 years and there are fixed increases of 4% per annum.

Right-of-use assets

	Property $	Total $
Year ended 30 June 2020		
Balance at beginning of year	**1,305,801**	**1,305,801**
Depreciation charge	**(274,866)**	**(274,866)**
Balance at end of year	**1,030,935**	**1,030,935**

Notes to the Financial Statements

For the Year Ended 30 June 2020

12 Leases

Lease liabilities

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

	< 1 year	1 - 5 years	> 5 years	Total undiscounted lease liabilities	Lease liabilities included in this Statement Of Financial Position
	$	$	$	$	$
2020					
Lease liabilities	**322,918**	**954,835**	**-**	**1,277,753**	**1,135,774**

13 Property, plant and equipment

	2020	2019
	$	$
PLANT AND EQUIPMENT		
Furniture, fixtures and fittings		
At cost	**122,374**	144,853
Accumulated depreciation	**(104,451)**	(120,599)
Total furniture, fixtures and fittings	**17,923**	24,254
Office equipment		
At cost	**8,250**	7,817
Accumulated depreciation	**(3,563)**	(805)
Total office equipment	**4,687**	7,012
Computer equipment		
At cost	**70,622**	39,999
Accumulated depreciation	**(26,531)**	(26,016)
Total computer equipment	**44,091**	13,983
Computer software		
At cost	**18,372**	18,372
Accumulated depreciation	**(15,234)**	(7,885)
Total computer software	**3,138**	10,487
Lease improvements		
At cost	**460,084**	452,086
Accumulated depreciation	**(332,534)**	(294,875)
Total lease improvements	**127,550**	157,211

13 Property, plant and equipment

Medical equipment		
At cost	**576,018**	563,077
Accumulated depreciation	**(355,013)**	(407,123)
Total medical equipment	**221,005**	155,954
Total property, plant and equipment	**418,394**	368,901

Movements in carrying amounts of property, plant and equipment

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

	Furniture, Fixtures and Fittings $	Office Equipment $	Computer Equipment $	Computer Software $	Lease Improvements $	Medical Equipment $	Total $
Year ended 30 June 2020							
Balance at the beginning of year	**24,254**	**7,012**	**13,983**	**10,486**	**157,212**	**155,954**	**368,901**
Additions	**1,196**	**2,080**	**54,992**	**-**	**7,998**	**119,520**	**185,786**
Disposals	**(2,537)**	**(1,133)**	**(2,905)**	**-**	**-**	**(1,707)**	**(8,282)**
Depreciation expense	**(4,990)**	**(3,272)**	**(21,979)**	**(7,348)**	**(37,660)**	**(52,762)**	**(128,011)**
Balance at the end of the year	**17,923**	**4,687**	**44,091**	**3,138**	**127,550**	**221,005**	**418,394**
Year ended 30 June 2019							
Balance at the beginning of year	31,450	-	16,740	15,953	194,870	197,735	456,748
Additions	-	7,817	7,064	1,837	-	54,228	70,946
Disposals	(906)	-	(1,632)	-	-	(33,277)	(35,815)
Depreciation expense	(6,290)	(805)	(8,189)	(7,304)	(37,658)	(62,732)	(122,978)
Balance at the end of the year	24,254	7,012	13,983	10,486	157,212	155,954	368,901

Notes to the Financial Statements

For the Year Ended 30 June 2020

14 Intangible Assets

	2020 $	2019 $
Development Costs		
Cost	**41,234**	41,234
Accumulated amortisation and impairment	**(24,742)**	(16,495)
Net carrying value	**16,492**	24,739

Movements in carrying amounts of intangible assets

	Development Costs $	Total $
Year ended 30 June 2020		
Balance at the beginning of the year	**24,739**	**24,739**
Amortisation	**(8,247)**	**(8,247)**
Closing value at 30 June 2020	**16,492**	**16,492**
Year ended 30 June 2019		
Balance at the beginning of the year	38,788	38,788
Disposals	(454)	(454)
Amortisation	(13,595)	(13,595)
Closing value at 30 June 2019	24,739	24,739

15 Trade and Other Payables

	2020 $	2019 $
Current		
Trade payables	**59,963**	176,105
Employee benefits	**38,333**	13,208
Sundry payables and accrued expenses	**30,035**	39,559
	128,331	228,872

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

Notes to the Financial Statements

For the Year Ended 30 June 2020

16 Employee Provisions

	2020 $	2019 $
CURRENT		
Annual leave	**50,179**	47,267
Long service leave	**38,588**	38,743
	88,767	86,010
NON-CURRENT		
Long service leave	**7,753**	9,577

Employee provisions represent amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements have have not yet vested in relation to those employees who have not yet completed the required period of service.

17 Capital and Leasing Commitments

Operating Leases

	2020	2019
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	**-**	310,498
- between one year and five years	**-**	1,277,753
	-	1,588,251

The property lease is a non-cancellable operating lease contracted for but not capitalised in the financial statements with a six year eleven month term with an option for an additional five year term.

Refer to Note 12 for information about leases in 2020.

18 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - interest rate risk and price risk

Financial instruments used

The principal categories of financial instrument used by the Company are:

- Trade receivables
- Cash at bank
- Trade and other payables

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of Advanced Paediatric Life Support, Australia's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Advanced Paediatric Life Support, Australia's activities.

The day-to-day risk management is carried out by Advanced Paediatric Life Support, Australia's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

18 Financial Risk Management

Objectives, policies and processes

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Company maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

Financial guarantee liabilities are treated as payable on demand since Advanced Paediatric Life Support, Australia has no control over the timing of any potential settlement of the liabilities.

The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward. The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

The Company's liabilities have contractual maturities which are summarised below:

	Within 1 year		1 to 5 years		Over 5 years		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$	$	$
Financial Assets								
Cash and cash equivalents	**1,055,791**	892,132	**-**	-	**-**	-	**1,055,791**	892,132
Trade and other receivables	**167,442**	11,218	**-**	-	**-**	-	**167,442**	11,218
Other financial assets	**1,665,662**	2,366,037	**-**	-	**-**	-	**1,665,662**	2,366,037
	2,888,895	3,269,387	**-**	-	**-**	-	**2,888,895**	3,269,387
Financial liabilities								
Trade and other payables	**(51,683)**	(176,105)	**-**	-	**-**	-	**(51,683)**	(176,105)
Net inflow / (outflow) on financial instruments	**2,837,212**	3,093,282	**-**	-	**-**	-	**2,837,212**	3,093,282

18 Financial Risk Management

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Board receives monthly reports summarising the turnover, trade receivables balance and aging profile of each of the key customers individually and the Company's other customers analysed by industry sector as well as a list of customers currently transacting on a prepayment basis or who have balances in excess of their credit limits.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The Company has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

On a geographical basis, the Company has significant credit risk exposures in Australia given the substantial operations in those regions.

The following table details the Company's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Company.

18 Financial Risk Management

The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross amount	Past due and impaired	Past due but not impaired (days overdue) < 30	31-60	61-90	> 90	Within initial trade terms
	$	$	$	$	$	$	$
Parent							
2020							
Trade receivables	**164,614**	**-**	**176,272**	**(2,120)**	**-**	**(9,538)**	**-**
Other receivables	**2,828**	**-**	**-**	**-**	**-**	**-**	**2,828**
Total	**167,442**	**-**	**176,272**	**(2,120)**	**-**	**(9,538)**	**2,828**
2019							
Trade receivables	10,349	-	1,386	3,103	5,860	-	-
Other receivables	869	-	-	-	-	-	869
Total	11,218	-	1,386	3,103	5,860	-	869

The Company does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Interest rate risk

The Company is exposed to interest rate risk as funds are borrowed at floating and fixed rates. Borrowings issued at fixed rates expose the Company to fair value interest rate risk.

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Company is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +0.50% and -0.50% (2019: +0.50% / -0.50%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions and economist reports.

The calculations are based on the financial instruments held at each reporting date. All other variables are held constant.

18 Financial Risk Management

	2020		2019	
	+0.50%	**-0.50%**	**+0.50%**	**-0.50%**
	$	**$**	**$**	**$**
Net results	**7,820**	**(7,820)**	12,080	(12,080)
Equity	**7,820**	**(7,820)**	12,080	(12,080)

(ii) Other price risk

The Company is not exposed to commodity price risk.

The price risk for the unlisted securities held by the Company is immaterial in terms of the possible impact on profit or loss or total equity. It has therefore not been included in the sensitivity analysis.

19 Fair Value Measurement

The Company measures the following assets and liabilities at fair value on a recurring basis:

- Financial assets

Fair value estimation

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair values derived may be based on information that is estimated or subject to judgment, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgment and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, fair value is obtained using discounted cash flow analysis and other valuation techniques commonly used by market participants.

Differences in fair values and carrying values of financial instruments with fixed interest rates are due to the change in discount rates being applied by the market since their initial recognition by the company. Most of these instruments which are carried at amortised cost are to be held until maturity and therefore the net fair value figures calculated bear little relevance to the company.

Notes to the Financial Statements

For the Year Ended 30 June 2020

19 Fair Value Measurement

	2020		2019	
	Net Carrying Value	Net Fair value	Net Carrying Value	Net Fair value
	$	$	$	$
Financial assets				
Cash and cash equivalents	**1,055,791**	**1,055,791**	892,132	892,132
Trade and other receivables	**167,442**	**167,442**	11,218	11,218
Term deposits	**1,665,662**	**1,665,662**	2,366,037	2,366,037
Fair Value through OCI:				
at cost				
- unlisted investments	**2**	**2**	2	2
Total financial assets	**2,888,897**	**2,888,897**	3,269,389	3,269,389
Financial liabilities				
Trade and other payables	**51,683**	**51,683**	176,105	176,105
Total financial liabilities	**51,683**	**51,683**	176,105	176,105

20 Operating Segments

Segment information

The company operates in a not-for-profit capacity as a public educational institution to educate people in the medical profession. Courses are conducted in all capital cities and various regional areas in Australia.

21 Members' Guarantee

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 $ 1 each towards meeting any outstandings and obligations of the Company. At 30 June 2020 the number of members was 320 (2019: 320).

22 Auditors' Remuneration

	2020	2019
	$	$
Remuneration of the auditor of the company, Nexia Melbourne Audit Pty Ltd, for:		
- auditing the financial statements	**8,330**	7,930
- other services	**1,330**	1,270
Total	**9,660**	9,200

Other services include assistance with the preparation of the financial statements of the Company.

23 Contingencies

Contingent Liabilities

Advanced Paediatric Life Support, Australia had the following contingent liabilities at the end of the reporting period:

Commitments for the renovation of the office	2020 $	2019 $
Not longer than 1 year	**15,994**	-

24 Key Management Personnel Disclosures

The totals of remuneration paid to the key management personnel of Advanced Paediatric Life Support, Australia during the year are as follows:

	2020 $	2019 $
Short-term benefits (salary, superannuation and movement in annual leave provision and long service leave provision)	**295,788**	207,088
Long-term benefits (increase in long service leave provision)	**4,368**	15,627
Post-employment benefits	**25,732**	19,950
	325,888	242,665

25 Cash Flow Information

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

Surplus / (Deficit) for the year	**(505,274)**	140,201
Non-cash flows in surplus / (deficit):		
- depreciation and amortisation	**411,123**	136,574
- loss on disposal of property, plant and equipment	**8,282**	36,268
Changes in assets and liabilities:		
- (increase) / decrease in trade and other receivables	**(125,435)**	7,888
- decrease in other assets	**(30,724)**	(43,936)
- decrease / (increase) in inventories	**(32,687)**	19,708
- increase / (decrease) in income in advance	**265,125**	29,522
- increase / (decrease) in trade and other payables	**(100,541)**	(41,426)
- (decrease) in lease incentive liability	**-**	(7,796)
- increase in provisions	**933**	5,145
Cashflow from operating activities	**(109,198)**	282,148

26 Events after the end of the Reporting Period

The financial report was authorised for issue on 21st October 2020 by the Board of Directors.

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

27 Company Details

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

Advanced Paediatric Life Support, Australia
Level 5, 505 Little Collins Street
Melbourne VIC 3000

Directors' Declaration

The Board of Directors declare that, in their opinion:

1. There are reasonable grounds to believe that Advanced Paediatric Life Support, Australia is able to pay all of its debts, as and when they become due and payable; and

2. The attached financial statements and notes, as set out on pages 6 to 33, thereto satisy the requirements of Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

   (a) giving a true and fair view of the financial position and performance fof the Advanced Paediatric Life Support, Australia; and

   (b) comply with Australian Accounting Standards.

Signed in accordance with a resolution of the Board of Directors pursuant to Regulation 60-15 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Director ....
Jason Paul Acworth

Director ....
Ian McCall

Dated this 3rd day of December 2020

Advanced Paediatric Life Support, Australia

ABN: 49 085 581 362

Independent Audit Report to the members of Advanced Paediatric Life Support, Australia