



Australian and New Zealand College of Anaesthetists

(ABN 82 055 042 852)

Annual Report

for the financial year ended 31 December 2016

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Directors' Report

The Council of the Australian and New Zealand College of Anaesthetists submit herewith the annual financial report for the financial year ended 31 December 2016. The College maintained its primary objective for the period under review.

The Directors submit their Director's Report for the year ended 31 December 2016 as follows:

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

President Dr G A Goulding (until May 2016)	FANZCA 1992; (FFARACS 1986); FAICD; Royal Brisbane and Women's Hospital, QLD
President Professor D A Scott (from May 2016)	FANZCA 1992; (FFARACS 1986); FFPMANZCA 2005; MBBS (Hons) (Monash) 1979; PhD (University Melb) 2004; St Vincent's Hospital, Vic
Vice-President Associate Professor D A Scott (until May 2016)	FANZCA 1992; (FFARACS 1986); FFPMANZCA 2005; MAICD St. Vincent's Hospital, VIC
Vice-President Dr R G Mitchell (from May 2016)	FANZCA 2004; FAICD; Queen Elizabeth & Lyell McEwin Hospitals, SA
Honorary Treasurer Associate Professor D A Scott (until May 2016)	FANZCA 1992; (FFARACS 1986); FFPMANZCA 2005; MAICD; St. Vincent's Hospital, VIC
Honorary Treasurer Dr R J Waldron (from May 2016)	FANZCA 1993; MAICD; The Hobart Anaesthetic Group, TAS

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Directors' report (cont.)

Directors of the college

Dr V S Beavis	FANZCA 1999; FFA (SA) 1992; GAICD; Auckland City Hospital, NZ
Dr C J Cokis (From May 2016)	FANZCA 1997, MBBS, Fiona Stanley Hospital, WA
Dr P T Farrell	FANZCA 1992; (FFARACS) 1986; GAICD; John Hunter Hospital, NSW
Dr C Hayes (From May 2016)	FANZCA 1995, FFPMANZCA 1999; Hunter Integrated Pain Service, John Hunter Hospital, NSW
Dr S A Jenkins	FANZCA 2002; Lyell McEwin Hospital, SA
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; Women's and Children's Hospital, Flinders Medical Centre, SA
Dr M S McManus	FANZCA 2003; Cairns Hospital, QLD
Professor A F Merry (Until May 2016)	FANZCA 1992; (FFARACS 1984); FFPMANZCA 1999; ONZM; MInstD; FRSNZ 2014; University of Auckland, NZ
Dr L Roberts (Until May 2016)	FANZCA 1997; FFPMANZCA 1999; FAICD; FAMM (Hon) Sir Charles Gairdner Hospital, WA
Dr N N Robertson (From May 2016)	FANZCA 1992 (FFARACS 1990), Auckland City Hospital, NZ
Professor E A Shipton (Until May 2016)	FANZCA 2000; FFPMANZCA 2001; FRCA 1998; MD 1983; FFA 1980; DA 1978; MBCHB 1974; Burwood Hospital, NZ
Dr R D Thomas	FANZCA 1992; (FFARACS 1991); MPH (Monash) 2003; GC Health Informatics (Monash) 2005; MBBS (Monash) 1982; AAICD; St Vincent's Hospital, Vic

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Directors' report (cont.)

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 17 years
Special Responsibilities	Council Member

Name	Dr Chris J Cokis
Qualifications	FANZCA 1997, MBBS
Experience	Member of Council since May 2016; Fellow of ANZCA for 19 years
Special Responsibilities	Council Member from May 2016

Name	Dr P T Farrell
Qualifications	FANZCA 1992; (FFARACS 1986); FFARCS 1984; FRCA 1992; MBBS (UNSW) 1979
Experience	Member of Council since 2009; Fellow of ANZCA/FARACS for 30 years
Special Responsibilities	Council Member

Name	Dr G A Goulding
Qualifications	FANZCA 1992; (FFARACS 1986); MBBS (UNSW) 1979; FAICD
Experience	Member of Council since 2007; Fellow of ANZCA/FARACS for 30 years
Special Responsibilities	Council Member

Name	Dr C Hayes
Qualifications	FANZCA 1995, FPPMANZCA 1999
Experience	Member of Council since May 2016; Fellow of ANZCA for 21 years
Special Responsibilities	FPM Dean, Council Member from May 2016

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Directors' report (cont.)

Name	Dr S A Jenkins
Qualifications	FANZCA 2002
Experience	Member of Council since May 2014; Fellow of ANZCA 14 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/FARACS for 25 years
Special Responsibilities	Council Member

Name	Dr S C Y Ma
Qualifications	FANZCA 2013; AFRACMA 2016; BMBS 2005; BMedSc 2002; GAICD
Experience	Member of Council since March 2015; Fellow of ANZCA 4 years
Special Responsibilities	Council Member

Name	Dr M S McManus
Qualifications	FANZCA 2003
Experience	Member of Council since May 2014; Fellow of ANZCA for 13 years
Special Responsibilities	Council Member

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Directors' report (cont.)

Name	Professor A F Merry
Qualifications	MChB; Dip Obs MRCS (Eng); LRCP (Lond); FANZCA 1992; (FFARACS 1984); FFPMANZCA 1999; FRCA 2007 (Hon); FFLFM 2009 (Hon); MInstD 2011; FRSNZ 2014; University of Auckland and Auckland City Hospital, NZ
Experience	Member of Council since 2005; Fellow of ANZCA/FARACS for 32 years
Special Responsibilities	Council Member – To May 2016

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 12 years
Special Responsibilities	Council Member; Vice-President from May 2016;

Name	Dr L J Roberts
Qualifications	FANZCA 1997; FFPMANZCA 1999; FAMB (Hon); MBBS (Hons) (QLD) 1988; BMedSci (Hons) 1986; Graduate Certificate Clinical Education (Flinders) 2009; FAICD
Experience	Member of Council since 2004; Fellow of ANZCA for 19 years
Special Responsibilities	Council Member – To May 2016

Name	Dr N N Robertson
Qualifications	FANZCA 1992 (FFARACS 1990)
Experience	Member of Council since May 2016; Fellow of ANZCA for 26 years
Special Responsibilities	Council Member from May 2016

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Directors' report (cont.)

Name	Professor D A Scott
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 30 years
Special Responsibilities	Vice-President and Honorary Treasurer until May 2016; President from May 2016

Name	Professor E A Shipton
Qualifications	FANZCA 2000; FFPMANZCA 2001; FRCA 1998; MD 1983; FFA 1980; DA 1978; MBCHB 1974
Experience	Member of Council since May 2014; Fellow of ANZCA for 16 years
Special Responsibilities	FPM Dean, Council Member – To May 2016

Name	Dr R D Thomas
Qualifications	FANZCA 1992; FFARACS 1991; MPH (Monash) 2003; GC Health Informatics (Monash) 2005; MBBS (Monash) 1982; AAICD
Experience	Member of Council from May 2014; Fellow of ANZCA for 25 years
Special Responsibilities	Council Member

Name	Dr R J Waldron
Qualifications	FANZCA 1993; MBBS (Uni of Melbourne) 1982; MAICD
Experience	Member of Council from 2006 to September 2009 and May 2013 onwards; Fellow of ANZCA for 23 years
Special Responsibilities	Council Member; Honorary Treasurer from May 2016; Member of Finance, Audit and Risk Management Committee; Member of Investment Committee

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Company Secretary

The Company Secretary for the Australian and New Zealand College of Anaesthetists for the financial year ended 31 December 2016 was:

- J Ilott BBus 1974; FCPA 1985; MA 2009; GAICD 2014

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

The surplus before non-operating activities as shown in the Statement of Profit or Loss and Other Comprehensive Income of the College for the financial year was \$500,277 (2015: surplus \$207,746).

Total revenue remained consistent with prior year, despite reductions in income from conference and course fees, as well as the Specialist Training Program (STP). This was due to an increase in subscriptions, registration, training and exam fee revenue. Total expenditure also remained stable which highlights the continued focus on tight cost control wherever possible. Whilst the STP provides significant revenue for the college, this is primarily a pass through, with a small administrative charge retained by the College. Although investment income has decreased during the year due to more uncertain investment markets, the contribution from investments of \$811,185 is 62% of the overall total comprehensive result. A small foreign exchange gain of \$4,948 (2015: \$6,955) was incurred on translation of New Zealand operations.

Overall, the total comprehensive result of \$1,316,410 was above expectations and budget.

The College measures its performance against a set of critical financial and non-financial key success factors to ensure its objectives are met.

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Directors' report (cont.)

Significant changes in state of affairs

In 2016 the College continued to focus on investments in new and existing technology to improve services to Fellows and trainees. This included continued enhancements of the training portfolio system and a refresh of ANZCA's content management system. There was a continued focus on projects delivering a more sustainable organisation with the College progressing the move to an 'infrastructure as a service' hosted model. The College also delivered a project to implement a new finance forecasting and budgeting tool.

The Specialist Training Program (STP) supports accredited specialist training rotations in anaesthesia, pain medicine and intensive care (the last on behalf of the College of Intensive Care Medicine) in expanded settings beyond traditional public teaching hospitals. The STP continues to encompass the Training More Specialist Doctors in Tasmania Program (TMSDT) which supports approved fellowship training undertaken and completed in Tasmania and the training and retention of specialist doctors in the Tasmanian public health system.

An extension of the STP program was granted in 2015 from the original 2012-2015 funding program which saw funding for the program continue into 2016. Advocacy campaigns to lobby the Australian Government for a continuation of the program were undertaken during 2016. This has resulted in the program receiving a further extension which ensures that the College will continue to receive government funding to manage training positions under the STP throughout 2017. During 2016, the STP provided funding towards 57.5 training positions and the TMSDT provided funding towards 5 training positions and funded 8 coordinator, project officer and supervisor of training roles.

The bulk of funds from the Australian government was committed to the various hospitals that successfully gained training posts under STP. A proportion of the TMSDT positions remained unfilled throughout the first half of this financial year. Project support funding enabled the delivery of initiatives to Fellows and trainees, such as an essential communications skills course for trainees and the provision of teacher training. Additionally, approval was obtained in 2016 from the Department of Health to reallocate an amount of uncommitted TMSDT funding for additional support projects which included a scholar role for trainees and tutors and online assessment and local feedback training for supervisors.

Short and Long Term Objectives and Strategies

The College is guided by the 2013-2017 strategic plan that includes the following Mission and Vision Statements.

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

Vision: "ANZCA will be a recognised world leader in training, education, research, and in setting standards for anaesthesia and pain medicine".

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Directors' report (cont.)

The College's strategic priorities are to:

- Advance standards through training, education, accreditation and research
- Build engagement, ownership and unity
- Develop and maintain strong external relationships
- Ensure ANZCA is a sustainable organisation

To achieve the above priorities, the College has adopted the following objectives:

- Deliver a world-class training program
- Provide a professional development framework that supports ongoing development and maintenance of skills and expertise
- Promote and support research in anaesthesia and pain medicine
- Set clinical standards that reflect best practice and support safe, high quality patient care
- Enhance the delivery of service to Fellows and trainees
- Promote and demonstrate the value of ANZCA fellowship
- Strengthen connections within and between all parts of the College
- Expand and strengthen the collaborative relationship between ANZCA and the Faculty of Pain Medicine (FPM)
- Develop productive collaborative relationships
- Engage and influence government and other key stakeholders
- Raise the profile of anaesthesia, perioperative medicine and pain medicine
- Advocate for community development with a focus on indigenous health and overseas aid
- Develop and retain the best people
- Ensure ANZCA's systems and processes are focused on quality outcomes
- Acknowledge and support Fellows' and trainees' involvement with, and contributions to, the College
- Promote anaesthesia and pain medicine as professions

Dividends

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

Events subsequent to balance date

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

Likely developments and future results

The College anticipates that in 2017 it will maintain its positive financial position. The College is continually reviewing, updating and improving its management and governance practices to ensure that the objectives of the College are met.

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Directors' report (cont.)

Directors' meetings

Name	Eligible to attend	Attended
Dr V S Beavis	8	8
Dr C J Cokis (appointed May 2016)	5	3
Dr P T Farrell	8	7
Dr G A Goulding	8	8
Dr C Hayes (appointed May 2016)	5	5
Dr S A Jenkins	8	8
Dr M R R Jones	8	7
Dr S C Y Ma	8	8
Dr M S McManus	8	8
Professor A F Merry (resigned May 2016)	3	3
Dr R G Mitchell	8	8
Dr L J Roberts (resigned May 2016)	3	3
Dr N N Robertson (appointed May 2016)	5	5
Professor D A Scott	8	8
Professor E A Shipton (resigned May 2016)	3	3
Dr R D Thomas	8	7
Dr R Waldron	8	8

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Directors' report (cont.)

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. Where the vice president and honorary treasurer roles are held by the same councillor, then an additional councillor will be appointed. The number of FARM meetings held during the year ended 31 December 2016 and the number of meetings attended by each committee member was:

Name	Eligible to attend	Attended
Mr P Maloney (Chair)	4	3
Dr G A Goulding FANZCA, FAICD (President to May 2016)	1	1
Professor D A Scott FANZCA, FFPMANZCA (Vice President and Honorary Treasurer to May 2016, appointed President May 2016)	4	4
Mr R Garvey (Member)	4	4
Mr S Miller (Member)	4	4
Dr R G Mitchell (appointed Vice President May 2016)	3	3
Dr P Farrell FANZCA (Member)	3	3
Dr R Waldron FANZCA (Member, elected Treasurer in May 2016)	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; 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 2016, the total amount that members of the company are liable to contribute if the company is wound up is \$301,700 (2015: \$289,950)

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Directors' report (cont.)

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



Professor D A Scott
President
Melbourne, 22 April 2017



Dr R Waldron
Honorary Treasurer
Melbourne, 22 April 2017

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**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 2016, 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



Adrian Nathanielsz
Partner - Audit & Assurance

Melbourne, 22 April 2017

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Independent Auditor's Report To the Members of Australian and New Zealand College of Anaesthetists

Auditor's Opinion

We have audited the financial report of Australian and New Zealand College of Anaesthetists, which comprises the statement of financial position as at 31 December 2016, the statement of profit or 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 (the "ACNC Act"), including:

- (a) giving a true and fair view of Australian and New Zealand College of Anaesthetist's financial position as at 31 December 2016 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and Division 60 of the Australian Charities and Not-for-profits Commission Regulation 2013.

Basis for Auditor's 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 Australian and New Zealand College of Anaesthetists in accordance with the auditor independence requirements of the ACNC Act and 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.

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Information other than the Financial Report and Auditor's Report

The Directors are responsible for the other information. The other information comprises the information included in Australian and New Zealand College of Anaesthetist's annual report for the year ended 31 December 2016, 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.

Responsibility of the Directors for the Financial Report

The Directors of Australian and New Zealand College of Anaesthetists are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards – Reduced Disclosure Requirements 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 Australian and New Zealand College of Anaesthetist'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 Australian and New Zealand College of Anaesthetists or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing Australian and New Zealand College of Anaesthetist'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 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 the 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:

http://www.auasb.gov.au/auditors_files/ar3.pdf. This description forms part of our auditor's report.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Adrian Nathanielsz
Partner - Audit & Assurance

Melbourne, 22 April 2017

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 2016 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



Professor D A Scott
President
Melbourne, 22 April 2017



Dr R Waldron
Honorary Treasurer
Melbourne, 22 April 2017

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Statement of Profit or Loss and Other Comprehensive Income For the year ended 31 December

	Note	2016 \$	2015 \$
Revenue			
Subscriptions and entry fees		10,963,747	10,242,036
Registrations, training and exam fees		10,928,081	10,318,577
Conference and course fees		4,838,492	5,358,839
Specialist training program grant		8,085,117	8,839,502
Other income		1,308,694	1,305,266
Total revenue from operating activities		36,124,131	36,064,220
Expenses			
Employment		13,765,896	13,110,289
Facilities		2,642,293	2,585,668
Travel and events		5,488,735	5,434,362
Information technology		2,514,613	2,773,081
Professional services		1,435,806	1,475,456
Research grants		1,492,117	1,446,734
Specialist training program employment and rural loading		7,536,013	8,053,000
Other expenses		748,381	977,884
Total expenses from operating activities	4	35,623,854	35,856,474
Surplus before non-operating activities		500,277	207,746
Income from non-operating activities			
Investment income	5	811,185	1,163,517
Surplus for the year		1,311,462	1,371,263
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		4,948	6,955
Total comprehensive income for the year		1,316,410	1,378,218

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 23 to 34.

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Statement of Financial Position As at 31 December

	Note	2016 \$	2015 \$
ASSETS			
Current assets			
Cash and cash equivalents		12,921,219	14,409,519
Trade and other receivables	6	12,806,986	12,175,215
Other financial assets	7	229,741	228,040
Total current assets		25,957,946	26,812,774
Non-current assets			
Property and office equipment and cultural assets	8	10,866,177	11,440,271
Intangible assets	9	6,741,620	6,875,748
Other financial assets	7	17,167,648	12,640,805
Total non-current assets		34,775,445	30,956,824
Total assets		60,733,391	57,769,598
LIABILITIES			
Current liabilities			
Trade and other payables	10	8,481,440	7,886,617
Other liabilities	11	19,018,475	18,101,650
Provisions	12	799,025	663,977
Total current liabilities		28,298,940	26,652,244
Non-current liabilities			
Provisions	12	365,739	365,052
Total non-current liabilities		365,739	365,052
Total liabilities		28,664,679	27,017,296
Net assets		32,068,712	30,752,302
EQUITY			
Retained earnings		31,546,388	30,234,926
Foreign currency translation reserve		231,167	226,219
Asset revaluation reserve		291,157	291,157
Total equity		32,068,712	30,752,302

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 23 to 34.

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Statement of Changes in Equity For the year ended 31 December

	Retained Earnings	Foreign currency translation reserve	Asset revaluation reserve	Total
	\$	\$	\$	\$
Balance at 1 January 2015	28,863,663	219,264	291,157	29,374,084
Surplus for the year	1,371,263	-	-	1,371,263
Currency translation differences arising during the year	-	6,955	-	6,955
Total comprehensive income for the year	1,371,263	6,955	-	1,378,218
Balance at 31 December 2015	30,234,926	226,219	291,157	30,752,302
Surplus for the year	1,311,462	-	-	1,311,462
Currency translation differences arising during the year	-	4,948	-	4,948
Total comprehensive income for the year	1,311,462	4,948	-	1,316,410
Balance at 31 December 2016	31,546,388	231,167	291,157	32,068,712

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 23 to 34.

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Statement of Cash Flows For the year ended 31 December

	2016	2015
	\$	\$
Cash flows from operating activities		
Receipts from members, customers and Government bodies	40,007,057	41,446,936
Interest received	145,585	212,739
Donations received	414,261	414,789
Payments to employees, suppliers and other parties	(34,675,940)	(31,880,963)
Research grants and bequests paid	(1,859,908)	(1,543,734)
Net cash inflow from operating activities	4,031,055	8,649,767
Cash flows from investing activities		
Proceeds from redemption of financial assets	-	536,514
Payments for financial assets	(4,000,000)	(80,000)
Payments for property and office equipment	(128,060)	(1,695,386)
Payments for project development	(1,442,200)	(1,270,067)
Net cash outflow from investing activities	(5,570,260)	(2,508,939)
Cash flows from financing activities		
Net cash inflow/(outflow) from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(1,539,205)	6,140,828
Cash and cash equivalents at the beginning of the financial year	14,409,519	8,261,090
Total effect of exchange rate fluctuation of cash held	50,905	7,601
Cash and cash equivalents at the end of the financial year	12,921,219	14,409,519

The accompanying notes form part of these financial statements. Notes to the financial statements are included on pages 23 to 34.

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 22 April 2017. 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 and amended standards adopted by the College

None of the new standards or amendments to standards that are mandatory for the first time for the financial year beginning 1 January 2016 affected any of the amounts recognised in the current period or any prior period and is not likely to affect future periods.

Certain new and revised accounting standards and interpretations have been published that are not mandatory for the 31 December 2016 reporting period. The College does not plan to adopt these standards early. An assessment of the impact of these new standards and interpretations is set out below:

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Notes to the financial statements (cont.)

New/revised pronouncement	Superseded Announcement	Nature of Change	Effective date (annual reporting period beginning on or after)	Impact on Initial Application
AASB 9 Financial Instruments (December 2014)	AASB 139 Financial Instruments: Recognition and Measurement (in part)	AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities.	1 Jan 2018	When this standard is first adopted for the year ending 30 June 2019, there will be no material impact on the transactions and balances recognised in the financial statements.
AASB 16 Leases	AASB 117 Leases Int. 4 Determining whether an Arrangement contains a Lease Int. 115 Operating Leases—Lease Incentives Int. 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease	AASB 16: Replaces AASB 117 Leases and some lease-related Interpretations. Requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases. Provides new guidance on the application of the definition of lease and on sale and lease back accounting. Largely retains the existing lessor accounting requirements in AASB 117. Requires new and different disclosures about leases.	1 Jan 2019	When this Standard is first adopted for the year ending 31 December 2019, there will be no material impact on the transactions and balances recognised in the financial statements
AASB 2016-4 Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities	None	This Standard amends AASB 136 Impairment of Assets to: a Remove references to depreciated replacement cost as a measure of value in use for not-for-profit entities; and b Clarify that the recoverable amount of primarily non-cashgenerating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that: i AASB 136 does not apply to such assets that are regularly revalued to fair value under the revaluation model in AASB 116 Property, Plant and Equipment and AASB 138 Intangible Assets; and ii AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138	1 Jan 2017	When these amendments are first adopted for the year ending 31 December 2017, there will be no material impact on the financial statements.
AASB 1058 Income of Not-for-Profit Entities	AASB 1004 Contributions (in part)	AASB 1058 clarifies and simplifies the income recognition requirements that apply to NFP entities, in conjunction with AASB 15 Revenue from Contracts with Customers. These Standards supersede all the income recognition requirements relating to private sector NFP entities, and the majority of income recognition requirements relating to public sector NFP entities, previously in AASB 1004 Contributions. Under AASB 1058, the timing of income recognition depends on whether a NFP transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity. This standard applies when a NFP entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. In the latter case, the entity will recognise and measure the asset at fair value in accordance with the applicable Australian Accounting Standard (e.g. AASB 116 Property, Plant and Equipment). Upon initial recognition of the asset, AASB 1058 requires the entity to consider whether any other financial statement elements (called 'related amounts') should be recognised, such as: a Contributions by owners; b Revenue, or a contract liability arising from a contract with a customer; c A lease liability; d A financial instrument; or e A provision. These related amounts will be accounted for in accordance with the applicable Australian Accounting Standard.	1 Jan 2019	The entity is yet to undertake a detailed assessment of the impact of AASB 1058. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 31 December 2019.

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Notes to the financial statements (cont.)

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

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

At each reporting date, the College assesses whether there is objective evidence that a financial asset has been impaired. Impairment losses are recognised in the statement of comprehensive income. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

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 recognized in the statement of profit or loss and other comprehensive income.

Notes to the financial statements (cont.)

Transactions and balances (cont.)

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	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 profit or loss.

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 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.

Notes to the financial statements (cont.)

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 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 2016, these treasures were insured for a value of \$300,000.

Notes to the financial statements (cont.)

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 a provision for uncollectable debts. Trade receivables are generally due for settlement within 30 days for all debtors except for Fellows who have 12 months to pay their subscriptions as determined by the ANZCA Constitution. Debts that are known to be uncollectable are written off. A provision for doubtful receivables is established when there is objective evidence that the College may not be able to collect amounts previously invoiced.

Collectability of trade receivables is reviewed on an ongoing basis. The amount of any impairment loss is recognised in the statement of comprehensive income. When a trade receivable for which an impairment allowance had been recognized becomes uncollectable in a subsequent period, it is written off against the allowance account.

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 measured at the fair value of the consideration received or receivable. The College recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the College and specific criteria have met for each of the College's activities as described below. Revenue is recognized 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 current liabilities.
- **Other fees**
Fees are recorded as revenue in the year to which the fees relate. 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.

Notes to the financial statements (cont.)

Revenue recognition

- **Specific purpose grants**

Grant funding is measured at the fair value of contributions received and receivable and is generally recognised in the profit or 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.

Leases

Operating lease payments are expensed in the statement of profit or loss and other comprehensive income on a straight line basis over the lease term.

3. Critical accounting judgments and key sources of estimation uncertainty

In the application of the company'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.

One of the accounting judgments in these financial statements is the new training program and internally generated intangible assets life estimation that is based on the following key sources:

- **Historical experience.** The previous training program content did not require the significant revision during the past 10 years. It is the College's current intention to use the revised training program at least for 10 years with no significant revision of the content; rather the College's intention is to conduct some incremental improvements over time. This approach may extend the life of the revised training program content beyond 10 years. In this case, management will undertake a revision of original accounting estimates.

The revised training program hardware component life expectancy was determined in line with the life expectancy of externally purchased hardware that usually last 3 years.

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.

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Notes to the financial statements (cont.)

4. Expenses

	2016 \$	2015 \$
Surplus for the year includes the following specific expenses:		
Existing building improvements and equipment written off (impaired) on current year renovation	33,632	173,629
Foreign currency losses (gains)	(51,690)	43,496
Bad and doubtful debts	7,669	(11,194)
Depreciation-buildings	274,621	281,012
Depreciation-office equipment	407,515	570,341
Amortisation-intangible assets	1,576,328	1,536,233
Rental expense relating to operating leases	574,700	549,544

5. Investment income

	2016 \$	2015 \$
Net loss on valuation of other financial assets at fair value through profit and loss	(124,365)	(59,617)
Dividends and other investment income (including realised gains)	788,846	1,010,395
Interest received	146,704	212,739
Total Investment income	811,185	1,163,517

6. Current assets – Trade and other receivables

	2016 \$	2015 \$
Subscriptions	10,799,110	10,549,985
Allowance for impairment	(38,403)	(40,710)
	10,760,707	10,509,275
Prepayments and deposits	1,552,115	1,322,895
Sundry receivables	494,164	343,045
Total Trade and other receivables	12,806,986	12,175,215

Movements in the allowance for impairment:

At 1 January	40,710	83,612
Provision for impairment recognised during the year	29,883	40,710
Receivables written off during the year as uncollectible	(17,446)	(59,411)
Unused amount reversed	(14,744)	(24,201)
	38,403	40,710

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Notes to the financial statements (cont.)

7. Other financial assets

	2016 \$	2015 \$
Financial assets at fair value through profit or loss include the following:		
Current financial assets		
Term deposits	229,741	228,040
Non-current financial assets		
Investments at fair value through profit and loss	17,167,648	12,640,805
Aggregate other financial assets	<u>17,397,389</u>	<u>12,868,845</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

	2016 \$	2015 \$
Freehold land and buildings – at cost	12,687,555	12,686,921
Accumulated depreciation	<u>(4,030,222)</u>	<u>(3,754,968)</u>
	8,657,333	8,931,953
Office equipment – at cost	5,876,397	8,896,882
Accumulated depreciation	<u>(4,091,713)</u>	<u>(6,812,724)</u>
	1,784,684	2,084,158
Cultural assets - at cost	424,160	424,160
Total carrying amount at 31 December	<u>10,866,177</u>	<u>11,440,271</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 \$	Cultural assets \$	Total \$
Opening net book amount	8,931,953	2,084,158	424,160	11,440,271
Exchange differences	1	14,941	-	14,942
Additions	-	126,732	-	126,732
Written off	-	(33,632)	-	(33,632)
Depreciation charge	(274,621)	(407,515)	-	(682,136)
Closing net book amount	<u>8,657,333</u>	<u>1,784,684</u>	<u>424,160</u>	<u>10,866,177</u>

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Notes to the financial statements (cont.)

9. Non-current assets - Intangible Assets

	2016 \$	2015 \$
Project development costs	9,347,692	8,783,955
Accumulated amortisation	(4,850,136)	(3,360,332)
	4,497,556	5,423,623
Project work in progress	2,244,064	1,452,125
Total carrying amount at 31 December	6,741,620	6,875,748

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	5,423,623	1,452,125	6,875,748
Additions	-	1,442,200	1,442,200
Transfer	650,261	(650,261)	-
Amortisation charge	(1,576,328)	-	(1,576,328)
Closing net book amount	4,497,556	2,244,064	6,741,620

10. Current liabilities - Trade and other payables

	2016 \$	2015 \$
Current		
Sundry creditor and accruals	7,507,695	7,028,112
Employee leave liabilities	973,745	858,505
Total Trade and other payables	8,481,440	7,886,617

11. Current liabilities - Other liabilities

	2016 \$	2015 \$
Current		
Subscriptions received in advance	11,154,928	10,525,046
Exam, trainee and events fees received in advance	7,863,547	7,576,604
Total Other liabilities	19,018,475	18,101,650

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Notes to the financial statements (cont.)

12. Provisions

	2016 \$	2015 \$
Current		
Long service leave	799,025	663,977
Non-current		
Long service leave	365,739	365,052
Aggregate provision for employee benefits	1,164,764	1,029,029

13. 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 \$97,245 (2015: \$97,245).

14. Financial instruments

	Note	2016 \$	2015 \$
Financial Assets			
Investments at fair value through profit and loss			
- Interest bearing	7	6,978,336	3,305,898
- Managed share/units portfolio	7	10,419,053	9,562,947
Total Financial Assets		17,397,389	12,868,845

The company has an Investment Committee comprising representatives of the Board, independent investment advisor and senior management who 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 committee is advised by the College's investment managers, JB Were Pty Ltd. The committee identifies and evaluates financial risks and advises the Council accordingly.

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

15. Key management personnel compensation

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

	2016 \$	2015 \$
Key management personnel salaries and entitlements	649,554	578,534

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Notes to the financial statements (cont.)

16. Related party transactions

Key management personnel compensation

Disclosures relating to key management personnel compensation are set out in note 15.

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.

17. 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 2016, the number of members was 6,034 (2014: 5,799).

18. Subsequent events

There has not been any other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the College's operations, the results of those operations, or the College's state of affairs in financial years after this financial year.

19. Commitments

The College leases various offices under non-cancellable operating leases expiring within two to seven years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Period	2016 \$	2015 \$
Within one year	628,935	530,898
Later than one year but not later than five years	1,265,265	1,095,226
Total	1,894,200	1,626,124

20. Contingencies

The directors are not aware of any material contingent assets / liabilities as at 31 December 2016.