

Australian Association of Massage Therapists

2010

Annual Review



The Australian Association of Massage Therapists Limited (AAMT) is the peak representative body for Massage Therapists in Australia and was formed in 2003 following the amalgamation of five major Massage Associations across Australia. AAMT provides public service by maintaining a register of qualified member practitioners for referral and for responding to enquiries and complaints from the public. It is the Association's strong commitment to protecting the public and members that has led the Association and its members to high levels of recognition in the massage industry.

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Committees of the Board of Directors

AAMT Board of Directors has implemented the following committees, to assist it in achieving its strategic plans and goals. Each committee is comprised of Directors from the Board and seconded persons with skills that enhance each committee's ability. All committees meet a minimum of four times a year.

Finance & Audit Committee

Finance and Audit reviews the financial direction of the Association and recommends to the Board initiatives that ensure the finances and financial processes are appropriate for the purposes of the Association.

National Media Committee

National Media meets to liaise Massage Therapy Week, “The Journal of the Australian Association of Massage Therapists”, media releases and the promotion of members and the Association.

National Education Committee

National Education meets to determine Association input to the Community Services & Health Industry Skills Council’s review of the Health Training Package; approve accredited providers of Continuing Professional Education, and develop policy and position papers for member’s use.

Membership Committee

Membership Committee meets to formulate strategies to obtain and retain members, improve member services and provide input to enhance the member database.

Conference Committee

Conference Committee meets to formulate the technical direction of the conference; to select speakers and presenters and to ensure the efficiency and effectiveness of the conference.

Ethics Committee

The Ethics Committee meets when necessary to hear complaints against members for breach of the Code of Ethics and Standards of Practice. It also promulgates policy and procedures for members. See Separate Report.

Ethics Committee

The Committee may also refer matters for investigation to authorised bodies, for example criminal offences. Serious complaints made against members involving criminal conduct will be referred to the police for investigation. The National Ethics Committee has a role to monitor ethical matters as they appear in the Ethics Register in order to provide advice on amendments to training and information to members.

Summary of Ethics cases for the Financial Year ending June 30 2011

Division	2011	2010	Matter
New South Wales	1	2	Unprofessional Conduct
Queensland	1	2	Unprofessional Conduct
South Australia	0	0	-
Tasmania	0	0	-
Victoria	3	9	Unprofessional Conduct
West Australia	0	0	-

The National Ethics Committee can hear complaints from the public and from members. It has the power to conduct investigations into complaints as a disciplinary instrument and to impose sanctions as necessary, including suspension and revocation of membership. AAMT can only investigate complaints about practitioners who are members of the Association.

The National Ethics Committee's focus this year continued to be the development and release of position papers, policies and guidelines to assist members in their practice. These publications are available to all members and are supported with ongoing education and information from AAMT.

The costs to members in managing ethical complaints are part of the ongoing costs of the Association and include legal fees, committee meeting costs and investigation costs.

Constitution

The AAMT Constitution, like all company Constitutions, is a living document that requires fine tuning to meet the changing conditions of business and governance. To ensure the Association remains positioned to continue its strong record of achievement and meet any challenges and changes ahead, the Board reviewed company governance procedures. In November of 2010, the AAMT membership voted in a new Constitution at the Annual General Meeting.

As a result, the Board determined changes in relation to Board composition, term of tenure and the procedures for recruitment, in order to ensure the continued growth of the organisation. The changes involve a more holistic approach and result in broader changes to local representation that reflect the varying composition and interests of our members, whilst ensuring members remain heard.

Research and global trends indicated that the current AAMT Board was too big; the term too short; and the need for further development and diversification of skill-sets; and the pool from which the Board recruited was too shallow. The changes in the Constitution now allow for a smaller Board with longer terms to ensure skills are learnt and retained on the Board. The introduction of appointed members now enables the Board to identify skills gaps amongst Directors and recruit to fill these gaps.

The changes are to ensure a more efficient, transparent, independent, skills based and modern Board that represents good corporate governance and is elected by and works in the interests and the future of the Massage profession.

President's Report



Garry Lavis,
AAMT National President

The 2010-2011 financial year marked a special occasion for AAMT with the launch of our new strategic plan, rolling out new initiatives and services for our members, laying foundations for future development and upgrading of skills and qualifications. The Association is well on track with our work plan and remain consistently financially strong and sustainable in a market and economy that has proven to be difficult to forecast and a challenge to the survival of some not for profit organisations.

AAMT remains the leader of our industry and setting us apart from our competitors is our continued dedication to ongoing training for staff and management. My thanks go out to our Chief Executive Officer and Board of Directors, all who work tirelessly as a team to ensure AAMT continues to thrive. Their due diligence to training and dedication to continual improvement is commendable. AAMT's dominant position comes from good governance, transparency and best business practice.

Under a democratic process the Board continually evolves with members stepping down after completion of their terms and new appointed and elected members joining our ship. Thanks to Paul McCann and Ian Coward who retire this November after four years of exceptional service. Paul McCann stays on in a role as AAMT's advisor on matters concerning regulating the industry and will continue to represent AAMT at forums and discussions on our pursuit towards industry registration and regulation.

AAMT currently has twelve staff in our Melbourne office, with individuals trained in all the services members require and Therapist referral information for the general public. It is a pleasure to visit the office and see the grass roots of AAMT at work producing results for our members. The staff is a valuable and well respected part of the AAMT management team and are appreciated for their efforts and competency.

Lastly to the AAMT members who are proud to be part of a professional Association that stands for the core values of consistency, effectiveness, integrity, proactivity and respect. Thank you for your commitment to the provision of quality health services. Members and their feedback are always appreciated as the AAMT drives to continually improve our services for both practitioner and public to achieve beneficial health outcomes for all.

In a year where some organisations have stood still with their plans in difficult financial environments, AAMT has chosen to continue to forge ahead with our strategies, and I close this message with a quote from John A Shedd.

*A ship in the harbour is safe,
"but that's not what ships are built for."*

A handwritten signature in black ink, appearing to read 'Garry Lavis', written in a cursive style.

CEO's Report

AAMT is one of the nation's leading Associations in managing services for practitioner membership and public referral. Last year AAMT helped over 7,300 Therapists and an immeasurable number of clients in their goal of achieving the best health outcomes for themselves, naturally and ethically.

In 2010-11 our Therapists provided a diverse range of Massage services from 13,000 sites in metropolitan, rural and regional Australia. These services contribute to the health and wellbeing of more than 1,000,000 Australians by providing relaxation, rehabilitation and remedial modalities.

Our total revenue was \$1.9m inclusive of \$130,000 of corporate sponsorship and total expenses were \$1.6m. The surplus of \$160,000 although lower than in previous years, reflects the downturn in the overall economy in the past twelve months.

In 2010-11, AAMT worked across key areas of the strategic plan to increase communications and strengthen our services and corporate governance.

Strengthening our existing services and scoping for new services was a focus in developing our offerings to members.

- A corporate partnership for members was launched with My Paperwork People, tax and accounting specialists.
- Website became more interactive for members to access their data and monitor their CPE.
- Released a revised public complaints process, to improve transparency and fairness in ethical practice when dealing with the public.

Strengthening our corporate governance

- Provided input to the Australian Health Ministers Advisory Committees consultation on Unregistered Practitioners, NSW WorkCover on the education of rehabilitation providers and participated in the Global Health Care Symposium.
- Adopted a new Constitution, streamlining the governance of the Association to meet best practice with transparent consultation using best-practice business management.
- Launched our five Core Values, underpinning all our business and Massage practices.



Our people, our partners

In 2010-11 we had 12 employees and over fifty volunteers facilitating regional meetings and events. The work and commitment of these special people is appreciated and acknowledged by the Board and AAMT membership community.

We also formed and strengthened relationships with our corporate partners AON Risk Services and partnered with My Paperwork People who share our passion for transforming lives through successful businesses.

The relationship built with advisor Keith Roberts of NFP Analysts Pty Ltd, specialist consultancy to the not for profit sector, assisted the AAMT steer through a Constitutional change to an open future.

Overall the work in the past twelve months has created an underpinning foundation for the next two years of the strategic plan which will see the AAMT continue with the mission of leading and supporting our diverse membership towards excellence in practice.

A handwritten signature in black ink, appearing to read 'Tricia Hughes'.

Tricia Hughes,
(BA SocSci, Dip HR Mgmt MAICD, MAIM)
Chief Executive Officer, Company Secretary

Corporate Social Responsibility

The Australian Association of Massage Therapists (AAMT) Board is committed to reporting on a range of non-financial performance measures that reflect the company's policies regarding its corporate social responsibility (CSR). AAMT aims to distinguish itself as a company that encourages a positive impact through its activities on the environment, members, employees, and the communities.

By choosing to report and monitor non-financial performance measures, the AAMT Board signifies and embraces the company's responsibility for its actions that affect the economy, society and the environment. Through this self-monitoring mechanism and proactive measures that eliminate or reduce harm and wastage, and promote the well-being of its members and employees, the company contributes to the bigger aim of creating a sustainable economy, society and environment.

The big challenge is in understanding the sustainability issues and how to address them so as to create the utmost benefit for AAMT and its members. With the leadership and support of the AAMT Board, the company is taking small, sure steps in this area to fulfill its vision towards becoming a leading advocate of corporate social responsibility in the massage industry.

Environment

To build on these efforts we have implemented the following initiatives during the past year:

- Purchased a new Multi function printer with the default setting for double sided printing and photocopying.
- Replaced old computers and monitors with Energy smart workstations which come with Pre-configured power management settings that exceed governmental standards.
(Source Dell Website: Energy Smart)
- Provided input to the Australian Health Ministers Advisory Committees consultation on Unregistered Practitioners, NSW WorkCover on the education of rehabilitation providers and participated in the Global Health Care Symposium.
- Adopted a new Constitution, streamlining the governance of the Association to meet best practice with transparent consultation using best-practice business management.

Reducing our footprint through lower energy consumption:

The nature of our business as a professional membership organisation means that our energy consumption is limited to electricity usage and no other emissions. Measuring our electricity usage helps us demonstrate to stake holders our commitment to reduce our energy and carbon footprint. Electricity is measured through our monthly electricity invoice from Lumo Energy.

During the reporting period, the total electricity consumption was 18,370 kwhs, ten percent (10%) of which was supplied by green power. As a result, 2.44 tonnes of greenhouse gas emissions were saved. The plan for next year is to considerably decrease greenhouse gas emissions by purchasing up to one hundred percent (100%) green power.

Community

We believe it's important to play our role in contributing to the community. AAMT provides a free referral service to the public to ensure they receive the best possible treatment and care. AAMT members can be found via the 'Find a Therapist' section of the website or by contacting the AAMT national office. We maintain a register of qualified member practitioners for referral purposes for responding to enquiries and complaints from the public. It is the Association's strong commitment to protect the public and members of the Association that has led the Association and its members to high levels of recognition in the massage industry.

We have been involved with the Special People Foundation (SPF), Thailand for the past 3 years by purchasing Earth bags for our Annual Conference. These Earth bags are hand painted by children with disabilities. The SPF in Chiang Mai aims to give individuals viable work which helps their daily survival and their self esteem. The SPF's mission is to help adults and children from poor rural backgrounds who have physical or mental impairments.

In addition, our staff raised \$120 for the annual Pink Ribbon Breakfast (breast cancer research) event. Many of our staff also make private contributions to many charities.

Our Staff

The skills and commitment of our employees are critical to the success of AAMT. AAMT recognises the role that opportunities for professional development and a supportive workforce environment play in attracting and retaining staff. As an equal opportunity employer, gender diversity is important to AAMT, and 73% of our workforce is female.

AAMT provides a supportive and flexible working environment for our employees. We comply with all workplace legislation and ensure all relevant legislation is implemented in line with our internal policies. We also promote a culture based on teamwork, achievement and accountability.

Although AAMT's overall expenditure was reduced in the year, the organisation remained committed to a full staff training budget as we continued to invest in professional development.

This included Training sessions, executive coaching sessions and interviewing of each staff for their feedback.

Free Health checks were provided to all new staff and staff who were not able to participate last year under the Work Health Program. An important part of the program was to provide voluntary and confidential health checks for our staff.

Directors' Report

Your directors present their report on the company for the year ended 30/06/2011

Directors

The names of directors in office at any time during or since the end of the year are:

Pamela Maria Claxton

Paul Thomas Mccann

Ian Geoffrey Coward

Garry Lavis

Kristie Ann Melling

Belinda Laura Bolitho

Geoffrey Ernest Waldron

Karen Tay Nichol

Narelle Leigh James Appointed 28 Nov 2010

Nerissa Lee Morley Resigned 28 Nov 2010

Annette Fay Swinnerton Resigned 28 Nov 2010

Nicola Mary Ruane Resigned 28 Nov 2010

Gerald Vernon Savage Resigned 28 Nov 2010

Principal Activities

The principal activity of the company during the financial year was the provision of membership services for Massage Therapists and the promotion of Massage Therapy.

Operating Results

The surplus of the company after providing for income tax amounted to \$160,558 (2010: \$185,260).

Dividends

The company's constitution prohibits it from paying dividends to members.

Review of Operations

The Australian Association of Massage Therapists Limited is a company formed to represent Massage Therapists throughout Australia. The revenue of the company was \$1,854,997 (2010: \$1,887,822) and operating expenses were \$1,694,439 (2010: \$1,702,563), which resulted to a surplus of \$160,558 (2010: 185,260). The Association is a not for profit organisation and the majority of its income is not subject to income tax.

Significant Changes in State of Affairs

Since the date of the last report to the date of this report there were no significant changes in the state of affairs of the company.

After Balance Date Events

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.

Future Developments

Further information about likely events in the operations of the company and the expected results from those operations have not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the company.

Environmental Issues

The operations of the company are not subject to significant environmental regulations under both Commonwealth and State legislation.

Information on Directors

<i>Geoffrey Ernest Waldron</i> <i>Non-Executive Director</i>	
Qualifications	Diploma of Teaching (Primary), Diploma of Arts (Fabric Printing) Diploma of Remedial Massage
Experience	Primary teacher for 37 years. Therapist for 18 years. Teacher of Massage at private Massage school. Has been involved with Massage Associations for 15 years and held senior positions within those Associations for 11 years
Special Responsibilities	Member of Finance and Audit Committee, Member of Ethics Committee
<i>Karen Tay Nichol</i> <i>Non-Executive Director</i>	
Qualifications	London Chamber of Commerce Dip Private Secretaryship, Certificate of Fitness, Vic Fit, Dip Health Massage, Certificate Tactile Therapies
Experience	Practised as Executive Secretary 6 Years, Treasurer and Secretary of Associations including Massage Association for the past 10 years. Has been practising as Remedial Massage Therapist for 15 years
Special Responsibilities	Company Secretary, Chair of Ethics Committee , Chair of Finance & Audit Committee
<i>Narelle Leigh James</i> <i>Non-Executive Director</i>	
Qualifications	Diploma of Remedial Massage, Bachelor of Social Science, Certificate III in Community Service (Early Childhood)
Experience	Welfare worker/counsellor for 13 years. Practised Massage for 8 years. Held positions within the Association for 6 years. CPE presenter in regional and metropolitan South Australia
Special Responsibilities	Member of Ethics Committee
<i>Gerald Vernon Savage</i> <i>Non-Executive Director</i>	
Qualifications	Qualified Mechanic, Farm manager and Remedial Massage Therapist
Experience	Practising remedial Massage Therapist for 11 years
Special Responsibilities	Member of Finance & Audit Committee, Member of Conference Committee
<i>Ian Geoffrey Coward</i> <i>Non-Executive Director</i>	
Qualifications	Advanced Diploma Remedial Massage, Diploma of Yoga (Teacher)
Experience	Practising Remedial Therapists & Yoga Teacher for 13 Years. Has been involved with AAMT as member of Qld Divisional Committee for 7 years
Special Responsibilities	Chair of Media & Membership Committee, Member of Conference Committee
<i>Kristie Ann Melling</i> <i>Non-Executive Director</i>	
Qualifications	Advanced Diploma Remedial Massage, Advanced Diploma Beauty Therapy
Experience	Full time Massage Therapists for 11 years, Beauty Therapist for 5 years, Has been involved with QLD Divisional Committee since 2008
Special Responsibilities	Member of Media & Membership Committee

Continued on next page...

Information on Directors

<i>Belinda Laura Bolitho</i>	<i>Non-Executive Director</i>
Qualifications	Diploma of Remedial Massage, Diploma of Natural Therapies, Certificate III in Fitness, Certificate IV in TAA
Experience	Owner and operator of a small Massage business in Fremantle. Also Lectures at Challenger TAFE. Has been involved with AAMT as member of WA Divisional committee for 6 years and with the National Board for 4 years.
Special Responsibilities	Member of Media & Membership Committee
<i>Nerissa Lee Morley</i>	<i>Non-Executive Director</i>
Qualifications	Diploma of Remedial Massage, Certificate in Hot Stone Massage, Certificate in Myofascial Dry Needling, Certificate in Thai Massage, BA Social Science, Recreation & Human Movement, Certificate IV in Fitness Professionals, Certified Sports Conditioning Coach, Level Two Sports Trainer
Experience	Has been working in the Massage industry for the last 11 years, Director of Natural Revolution Group for the last 8 years
<i>Gary Lavis</i>	<i>Non-Executive Director</i>
Qualifications	Diploma of Remedial Massage, Certificate III and IV in Fitness
Experience	Head Trainer for West Lake Macquarie District Representative Netball Association, Owner and operator of a multi modality rehabilitation clinic, Expert witness on Queensland and New South Wales Police database for court reports
Special Responsibilities	Chair of Conference Committee, National President
<i>Annette Fay Swinnerton</i>	<i>Non-Executive Director</i>
Qualifications	Diploma of Remedial Massage
Experience	Practising Massage Therapist for 8 years. Operates own Massage Therapy clinic in Launceston. Member of Massage Association for 9 years
<i>Pamela Maria Claxton</i>	<i>Non-Executive Director</i>
Qualifications	Diploma of Remedial Massage, Registered Nurse, Bachelor of Health Administration, Master of Clinical Nursing, Studying Certificate IV in Bowen Therapy
Experience	Five years experience in own Massage practice, concurrently practicing as a Nurse specialising in Child and Family Health. Member of AAMT since 2006
Special Responsibilities	Member of Ethics Committee, Member of Media & Membership Committee, Member of Conference Committee
<i>Nicola Mary Ruane</i>	<i>Non-Executive Director</i>
Qualifications	Diploma of Remedial Massage, Diploma of Clinical Aroma Therapy, Certificate of Reflexology, Certificate IV - Training and Assessment
Experience	Practising remedial Massage Therapist since 1990. Has been teaching Therapeutic Massage since 1994. Facilitates and co-ordinates Massage education at Diploma level since 2000
<i>Paul Thomas McCann</i>	<i>Non-Executive Director</i>
Qualifications	Diploma of Oriental Remedial Therapies, Diploma Myopractic, Diploma Massage, Certificate IV Workplace Assessment & Training, Certificate Craniosacral Therapy, Certificate Reiki, Certificate Rebirther
Experience	Therapist for 18 years. Lecturer in Myopractic and Remedial Massage
Special Responsibilities	Member Education Committee, National Vice President

Meetings of Directors

	<i>Directors' Meetings and Circular Resolutions</i>		<i>Finance & Audit</i>	
	<i>Number eligible to attend</i>	<i>Number attended</i>	<i>Number eligible to attend</i>	<i>Number attended</i>
Nicola Mary Ruane	2	2	-	-
Paul Thomas McCann	4	4	-	-
Narelle Leigh James	2	1	-	-
Annette Fay Swinnerton	2	2	-	-
Gerald Vernon Savage	2	2	2	2
Ian Geoffrey Coward	4	3	-	-
Belinda Laura Bolitho	4	4	-	-
Nerissa Lee Morley	2	1	-	-
Garry Lavis	4	4	-	1
Geoffrey Ernest Waldron	4	4	4	3
Karen Tay Nichol	4	4	4	4
Kristie Ann Melling	4	3	-	-
Pamela Maria Claxton	4	4	-	-

Directors' Benefits

Disclosure relating to directors' emoluments has been included in Note 5 of the financial report.

During the financial year the Association paid premiums of \$5,959 (2010: \$6,002) to insure Directors against liabilities and costs incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of officer of the Association, other than conduct involving a wilful breach of duty in relation to the Association.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the company or 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 any part of those proceedings.

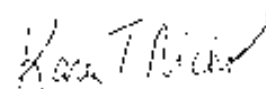
Auditor's Independence Declaration

The auditor's independence declaration is included at page 36 of the financial report.

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



Garry Lavis



Karen Nichol

Dated this 18th of October 2011

2010

Financial Review

2011

Statement of Comprehensive Income

Year ending 30 June 2011

		2011 \$	2010 \$
Revenues from ordinary activities	2	1,854,997	1,887,822
Employee benefits expense		(591,766)	(554,653)
Depreciation and amortisation expense	3	(71,932)	(47,328)
Administration Expenses		(338,754)	(360,841)
Accommodation Expenses		(85,409)	(82,641)
Employment Expenses		(172,773)	(160,443)
Journal Expenses		(133,684)	(131,819)
Membership Expenses		(203,120)	(245,513)
CPE Direct Expenses		(75,038)	(103,475)
National Board Expenses		(21,842)	(14,897)
Other Expenses		(121)	(952)
Total Expenses from Ordinary Activities		(1,694,439)	(1,702,562)
Profit from ordinary activities before income tax expense		160,558	185,260
Income tax expense relating to ordinary activities	4	-	-
Net profit for the year		160,558	185,260
Other comprehensive income		-	-
Other comprehensive income for the year		160,558	185,260
Total comprehensive income		160,558	185,260

The accompanying notes form part of these financial statements.

Statement of Financial Position

Year ending 30 June 2011

		2011 \$	2010 \$
<i>Current Assets</i>			
Cash and cash equivalents	7	1,509,271	1,235,909
Trade and other receivables	8	87,690	85,930
Total current assets		1,596,961	1,321,839
<i>Non-Current Assets</i>			
Trade and other receivables	8	200	200
Property, plant and equipment	9	164,379	222,002
Total non-current assets		164,579	222,202
Total assets		1,761,540	1,544,041
<i>Current Liabilities</i>			
Trade and other payables	10	768,652	726,643
Short-term provisions	11	58,976	46,653
Short-term borrowings	13	-	5,768
Total current liabilities		827,628	779,064
<i>Non-Current Liabilities</i>			
Trade and other payables	10	5,467	5,467
Long-term provisions	12	27,147	18,769
Total non-current liabilities		32,614	24,236
Total liabilities		860,242	803,300
Net assets		901,298	740,740
<i>Equity</i>			
Reserves	14	131,596	131,596
Retained Surplus/(Deficit)	15	769,702	609,144
Total equity		901,298	740,740

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

Year ending 30 June 2011

	Retained Earnings \$	General Reserves \$	Total \$
Balance 1 July 2009	131,137	131,596	262,733
Profits from previous years	478,007	-	478,007
Other comprehensive income	-	-	-
Balance 30 June 2010	609,144	131,596	740,740
Profit for the year	160,558	-	160,558
Other comprehensive income	-	-	-
Balance 30 June 2011	769,702	131,596	901,298

The accompanying notes form part of these financial statements.

Statement of Cash Flow

Year ending 30 June 2011

		2011 \$	2010 \$
Cash Flows From Operating Activities			
Receipts from operations		1,956,448	1,862,262
Payments to suppliers and employees		(1,605,585)	(1,665,397)
Borrowing Costs		(121)	(952)
Interest received		(57,303)	37,810
Net cash provided by (used in) operating activities	22b	293,439	233,723
Cash Flows From Investing Activities			
Purchase of property, plant and equipment		(14,309)	(166,469)
Proceeds from sale of property, plant and equipment		-	-
Net cash provided by (used in) investing activities		(14,309)	(166,469)
Cash Flows From Financing Activities			
Proceeds from acquisition		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		(5,768)	(10,237)
Net cash provided by (used in) financing activities		(5,768)	(10,237)
Net increase in cash held		273,362	57,017
Cash and cash equivalents at the beginning of the financial year		1,235,909	1,178,892
Cash and cash equivalents at the end of the financial year	22a	1,509,271	1,235,909

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

Note 1 - Summary of Accounting Policies

Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report covers the Australian Association of Massage Therapists Limited as an economic entity. The Australian Association of Massage Therapists is a public company limited by guarantee, incorporated and domiciled in Australia.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001. Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Accounting Policies

a. Income Tax

The Association is a not for profit organisation for taxation purposes and only subject to income tax on non member net income.

b. Property, Plant and Equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment, where applicable. Depreciation is provided on property, plant and equipment and is calculated on either a straight line basis or diminishing value basis so as

to write off the net cost of each fixed asset over its expected useful life. The following estimated useful lives are used in the calculation of depreciation:

Class of Fixed Asset	Estimated Useful Life
Furniture and fittings	3 - 10 years
Computer equipment and software	3 - 4 years
Leased assets	5 years
Leasehold Improvements	5 years

c. Impairment of Assets

Assets are stated at recoverable amount which is the higher of fair value less costs to sell and value in use. Any impairment of an asset's carrying amount to its recoverable amount will be recognised in the income statement unless the relevant asset is carried at fair value, in which case the impairment shall be taken up as a revaluation adjustment.

d. Cash

For the purpose of the statement of cash flows, cash includes:

- cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts.

e. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Assets held under finance lease are recognised at their fair value. The corresponding liability to the lessor is included in the balance sheet as a finance lease liability. Lease payments are apportioned between finance charges and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Finance leased assets are amortised in a straight line basis over the estimated useful life of the asset.

f. Employee Entitlements

Provision is made for the Association's liability for employee benefits arising from services rendered by the employees to reporting date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been

measured at the amounts expected to be paid when the liability is settled. Other employee benefits payable later than one year have been measured at the net present value. Contributions are made by the Association to employee superannuation funds and are charged as expenses when incurred.

g. Revenue

Members' subscriptions are recognised during the period to which the membership relates.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

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

h. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of the receivables or payables in the statement of financial position.

Notes to the Financial Statements

Year ending 30 June 2011

	2011 \$	2010 \$
Note 2 - Revenue from Ordinary Activities		
<i>Operating activities</i>		
- member advertising	15,340	12,700
- member subscriptions	1,330,152	1,338,623
- sponsorship	132,828	122,280
- journal income	54,903	57,485
- conference income	149,021	196,445
- PME event income	103,505	112,017
- Association branded goods	5,760	5,504
- other revenue	6,185	4,958
Total Revenue from Operating Activities	1,797,694	1,850,012
Interest revenue from:		
- Bank Deposits	57,303	37,810
Total interest revenue	57,303	37,810
Total Revenue from Ordinary Activities	1,854,997	1,887,822
Note 3 - Profit from Ordinary Activities		
Profit/(Loss) from ordinary activities before income tax has been determined after:		
<i>a. Expenses</i>		
Depreciation of non-current assets:		
- equipment, furniture and fittings	7,023	7,647
- computer hardware and software	56,583	29,303
- leased assets	-	2,379
- leasehold improvements	8,326	7,999
Total depreciation	71,932	47,328
Interest Paid	121	952
Note 4 - Income Tax Expense		
The prima facie tax on profit/(loss) from ordinary activities before tax is reconciled to the income tax as follows:		
Surplus from operations	160,558	185,260
Less: Net profit derived from member activities	141,198	171,820
Net Profit from non members activities	19,360	13,440
Income tax expense calculated at 30%	-	-
Less: Tax effect of		
- Tax losses carried forward	(19,538)	(32,978)
Net Tax loss at end of year	(178)	(19,538)

The assessable income for income tax purposes comprises only income deemed to be derived from non member activities. Conversely, allowable deductions for income tax are limited to certain expenses and statutory deductions.

Notes to the Financial Statements

Year ending 30 June 2011

	2011 \$	2010 \$
Note 5 - Remuneration and Retirement Benefits		
<i>a. Directors' Remuneration</i>		
During the year income paid or payable to all directors of Australian Association of Massage Therapists Limited and any related parties was:		
- directors' honoraria	10,102	9,102
- presenter's fees	-	275
	10,102	9,377
Number of Australian Association of Massage Therapists Limited directors whose income from Australian Association of Massage Therapists Limited or any related parties was within the following bands:		
	No.	No.
\$0 - \$9,999	13	14
The names of directors of Australian Association of Massage Therapists Limited who have held office during the financial year and their respective remuneration are:		
Paula Nutting	-	2,359
Karen Tay Nichol	600	200
Ian Coward	450	400
Narelle James	150	-
Susan Jetson	-	200
Paul McCann	600	400
Niki Ruane	300	400
Gerald Savage	300	400
Annette Swinnerton	300	300
Garry Lavis	5,002	3,118
Nerissa Morley	150	200
Geoffrey Ernest Waldron	450	400
Belinda Bolitho	600	400
Kristie Melling	600	300
Pamela Claxton	600	300
	10,102	9,377
<i>b. Retirement and Superannuation Payments</i>		
Amounts of a prescribed benefit given during year by Australian Association of Massage Therapists Limited or a related party to a director or prescribed superannuation fund in connection with the retirement from a prescribed office.		
	-	-
Full particulars are not provided as the directors believe this would be unreasonable.		
Note 6 - Auditors' Remuneration		
Remuneration of the auditor of the Association for:		
- auditing or reviewing the financial report	11,750	8,404
- other services	-	300
- other services provided by related practice of auditor	-	-

Notes to the Financial Statements

Year ending 30 June 2011

	2011 \$	2010 \$
Note 7 - Cash and cash equivalents		
Cash on hand	310	16
Cash at bank	199,333	123,013
Term deposit	1,309,628	1,112,880
	1,509,271	1,235,909
<p>The term deposit includes security deposit for Paypal \$86,000 and Rental guarantee deposit of \$19,747. The security deposit and rental guarantee are only available on closure of the services attached to the deposit.</p>		
Note - 8 Trade and other receivables		
<i>Current</i>		
Trade debtors	1,510	2,380
Provision for doubtful debts	-	-
Trade debtors net of provision for doubtful debts	1,510	2,380
Other debtors	15,026	21,132
Prepayments	71,154	62,418
Total Trade and other Receivable	87,690	85,930
<i>Non-Current</i>		
Other Debtors	200	200
Note 9 - Property Plant & Equipment		
<i>Office equipment</i>		
At cost	62,714	63,299
Accumulated depreciation	31,977	25,491
	30,737	37,808
<i>Computer hardware and software</i>		
At cost	255,777	245,893
Accumulated depreciation	132,998	79,050
	122,779	166,843
<i>Leased assets</i>		
At cost	16,621	16,621
Accumulated depreciation	16,621	16,621
	-	-
<i>Leasehold improvements</i>		
At cost	42,029	40,191
Accumulated depreciation	31,166	22,840
	10,863	17,351
Total Property, Plant and Equipment	164,379	222,002

Notes to the Financial Statements

Year ending 30 June 2011

a. Movements in Carrying Amounts

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

	Office Equipment \$	Computer Hardware & Software \$	Leased Assets \$	Leasehold Improvements \$	Total \$
Balance at the beginning	37,808	166,843	-	17,351	222,002
Additions	317	12,518	-	1,839	14,674
Disposals	(365)	-	-	-	(365)
Depreciation expense	(7,023)	(56,582)	-	(8,327)	(71,932)
Carrying amount at the end of year	30,737	122,779	-	10,863	164,379
				2011 \$	2010 \$

Note 10 - Trade and Other Payables

Current

Trade creditors	30,217	19,186
Sundry creditors and accrued expenses	57,991	70,291
Subscriptions received in advance	680,444	637,166
	768,652	726,643

Non Current

Funds dedicated to South Australia Division	5,467	5,467
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Note 11 Short-term provisions

Employee entitlements	58,976	46,653
Aggregate employee entitlements liability - Ability Leave	58,976	46,653
Number of employees at year-end (FTE)	8.4	9.4

Note 12 Long-term Provisions

Employee entitlements	27,147	18,769
Aggregate employee entitlements liability - Long Service Leave	27,147	18,769

Note 13 Short-term borrowings

Lease Liability	-	-
Hire Purchase Liability	-	5,768
	-	5,768

Note 14 - Reserves

Debts Forgiven

Balance at beginning of financial year	131,596	131,596
Balance at end of financial year	131,596	131,596

Notes to the Financial Statements

Year ending 30 June 2011

	2011 \$	2010 \$
Note 15 Accumulated Surplus/(Deficit)		
Accumulated surplus at beginning of financial year	609,144	423,884
Net profit attributable to the members of the Association	160,558	185,260
Accumulated surplus at the end of the financial year	769,702	609,144
Note 16 Members' Guarantee		
The Australian Association of Massage Therapists is a public company, limited by guarantee. Each member of the Association has undertaken to contribute the sum of \$1.00 in the event of the Association being wound up. The total number of members as of 30th June 2011 was 7,375.		
Note 17 Capital and Leasing Commitments		
<i>a. Finance Lease Commitments</i>		
Capitalised in the financial statements		
Payable		
- not later than one year	-	-
- later than 1 year but not later than 5 years	-	-
- later than 5 years	-	-
Minimum Lease Payments	-	-
Less Future finance charges	-	-
Total Lease Liability	-	-
Telephone system capitalised		
<i>b. Operating Lease Commitments</i>		
Payable		
- not later than one year	65,462	62,345
- later than 1 year but not later than 5 years	130,925	124,690
- later than 5 years	-	-
	196,387	187,035
Rental of office premises for 5 years with annual increase of 5% for the term of the lease		
<i>c. Capital Commitments</i>		
At 30 June 2011 and at the date of signing this financial report there are no known commitments for capital expenditure.		
Note 18 Contingent Liabilities		
At 30 June 2011 there are no known contingent liabilities.		

Notes to the Financial Statements

Year ending 30 June 2011

Note 19 - Segment Reporting

The Association operates predominantly in one business and one geographical segment being a member Association for Massage Therapists throughout Australia.

Note 20 Key Management Personnel Compensation

	Short-Term Benefits	Post Employment Benefits	Total
2010 Total Compensation	\$263,831	\$23,739	\$287,570
2011 Total Compensation	\$266,553	\$24,311	\$290,864

Note 21 - Related Party Transactions

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

	2011 \$	2010 \$
Note 22 - Cash Flow Information		
<i>a. Reconciliation of Cash</i>		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the balance sheet as follows:		
Cash	1,509,271	1,235,909
<i>b. Reconciliation of Cash Flow from Operations with Profit/(Loss) from ordinary activities after Income Tax</i>		
Profit/(Loss) from ordinary activities after income tax	160,558	185,260
Non-cash flows in profit from ordinary activities		
- Depreciation	71,932	47,328
- Income Tax	-	-
Decrease/(increase) in receivables	870	1,429
Decrease/(increase) in other debtors	6,106	(1,401)
Decrease/(increase) in prepayments	(8,737)	(3,212)
Increase/(decrease) in payables	11,031	(24,590)
Increase/(decrease) in other payables	(12,300)	10,979
Increase/(decrease) in subscriptions in advance	43,278	10,821
Increase/(decrease) in employee entitlements	20,701	7,109
Loss on sale of fixed assets	-	-
Cash flows from operations	293,439	233,723
Note 23 - Registered Office		
The registered office and principal place of business of the company is:		
Australian Association of Massage Therapists Ltd		
Level 6, 85 Queen Street, Melbourne Vic 3000		

Notes to the Financial Statements

Year ending 30 June 2011

Note 24 - Financial Instruments

a. Interest Rate Risk

The company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Within Year		1 To 5 Years		Non-Interest Bearing		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Financial Assets</i>												
Cash & cash equivalents	4.2	2.6	1,509,271	1,235,909	-	-	-	-	-	-	1,509,271	1,235,909
Receivables	0.0	0.0	-	-	-	-	-	-	87,690	85,930	87,690	85,930
Total Financial Assets	-	-	1,509,271	1,235,909	-	-	-	-	87,690	85,930	1,596,961	1,321,839
<i>Financial Liabilities</i>												
Trade & sundry creditors	0.0	0.0	-	-	-	-	-	-	88,208	89,477	88,208	89,477
Lease Liability	7.4	7.4	-	-	-	-	-	-	-	-	-	-
Hire Purchase Liability	8.3	8.3	-	-	-	5,768	-	-	-	-	-	5,768
Total Financial Liabilities	-	-	-	-	-	5,768	-	-	88,208	89,477	88,208	95,245

b. Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets is the carrying amount, net of any provisions for doubtful debts of those assets, as disclosed in the statement of financial position and notes to the financial statements.

The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the company.

Notes to the Financial Statements

Year ending 30 June 2011

c. Net Fair Values

The net fair values of term debtors and fixed interest securities and bonds are determined by discounting the cash flows, at the market interest rates of similar securities, to their present value.

The net fair values of unlisted investments where there is no organised financial market has been based on a reasonable estimation of the underlying net assets.

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

	2011 Carrying Amount \$	2011 Net Fair Value \$	2010 Carrying Amount \$	2010 Net Fair Value \$
<i>Financial Assets</i>				
Trade and other receivables	87,690	87,690	85,930	85,930
<i>Financial Liabilities</i>				
Trade and other payables	88,208	88,208	89,477	89,477
Lease liabilities	-	-	-	-
Hire Purchase liabilities	-	-	5,768	5,768
	88,208	88,208	95,245	95,245

Fair values are materially in line with carrying values.

Directors' Declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 22 to 34 are in accordance with the Corporations Act 2001:
 - a. comply with Accounting Standards and the Corporations Regulations 2001;
and
 - b. give a true and fair view of the financial position as at 30 June 2011 and of the performance for the year ended on that date of the company.
2. In the directors' opinion 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 Board of Directors.



Garry Lavis



Karen Nichol

Dated this 18th of October 2011

Auditor's Independence Declaration

rdl.accountants

*Auditor's Independence Declaration under
Section 307c of The Corporations Act 2001
to the Directors of Australian Association
of Massage Therapists Limited*

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2011 there have been:

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



Robert J Hurrell, FCA
rdl.accountants

18 October 2011
Blackburn, Victoria

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 Chartered
Accountants
MEMBER OF THE INSTITUTE OF CHARTERED ACCOUNTANTS

Independent Auditor's Report

r.d.l.accountants

Independent Auditor's Report to the Members of Australian Association of Massage Therapists Limited

We have audited the accompanying financial report, being a special purpose financial report, of Australian Association of Massage Therapists Limited (the company), which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the accounting policies described in Note 1 to the financial report are appropriate to meet the requirements of the Corporations Act 2001 and are appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Opinion

In our opinion the financial report of Australian Association of Massage Therapists Limited is in accordance with the Corporations Act 2001, including:

- a. giving a true and fair view of the company's financial position as at 30 June 2011 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the Corporations Regulations 2001.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.



Robert J Hurrell, FCA
r.d.l.accountants

18 October 2011
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