

AUSTRALIAN ASSOCIATION OF MASSAGE THERAPISTS

# *Annual Report.*

2011/2012



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*Proudly leading and  
supporting our diverse  
membership towards  
excellence in practice.*

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# About AAMT.

## OUR MISSION

To lead and support our diverse membership towards excellence in practice.

## OBJECTIVES

The objectives of AAMT are to ensure a high standard of practice, promote the profession of massage, provide rules of conduct, ethics and standards and to ensure the quality and delivery of massage training in Australia.

## OUR ORGANISATION

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.

## SERVING OUR RECOGNISED MEMBERS

AAMT represents over 7,500 members. AAMT advocates high standards of ethical & professional practice and self regulates its members. These standards are achieved by recognising individual practitioners for membership who hold formal qualifications that are defined by the Australian Qualifications Framework and supported by the Health Training Package. AAMT certifies massage therapists on behalf of the profession for the benefit of consumers, health fund providers, and employers.

## SERVING THE PUBLIC

AAMT provides a free referral service for the public to ensure they receive the best possible treatment and care. AAMT is financially secure, has no borrowings and operates on a not-for-profit basis. AAMT is a public company limited by guarantee and set up under the Corporations Act 2001 (Cth). AAMT believes in presenting more than financial statements for its members. This report details comprehensive information about our business based on our commitment to sustainable and responsible operations.

## PRIMARY SERVICES FOR MEMBERS

### *Insurance*

AAMT members are able to obtain Combined Malpractice & Public Liability Insurance at a significantly reduced price because of a negotiated agreement with our preferred provider of insurance, Aon Risk Services Australia Limited.

### *Health Fund Provider Status*

Health Insurance Funds accept AAMT members as providers to enable their clients to access rebates.

### *WorkCover*

Remedial Massage Therapist members are entitled to register with WorkCover as a provider in most States and Territories.

### *Continuing Professional Education (CPE)*

Members are offered lectures, online webinars, workshops & an annual conference to provide ongoing continuing professional education. Courses or workshops offered by AAMT Accredited Providers are also recognised for CPE.

### *Journal*

Members are kept informed of the latest industry news through its quarterly journal.

### *E-Newsletter*

AAMT's E-Newsletter is sent to members each month with their membership details and other useful information.

### *Website*

Featuring "Members Only" and "Find a Therapist", the website carries a range of information for both the public and members. The website also provides the facility for registering for new membership, CPE events and the ability to update member details. Online payments through the website are safe and secure.

### *Yellow Pages*

Members are given the opportunity to advertise under the AAMT banner in the Yellow Pages directories (print and on-line) throughout Australia at exclusively negotiated prices.

### *Lobbying*

AAMT strives to advance the profile and recognition of members with Governments at Federal, State and Territorial levels and to liaise with Health Insurance Funds.

### *Member Benefits*

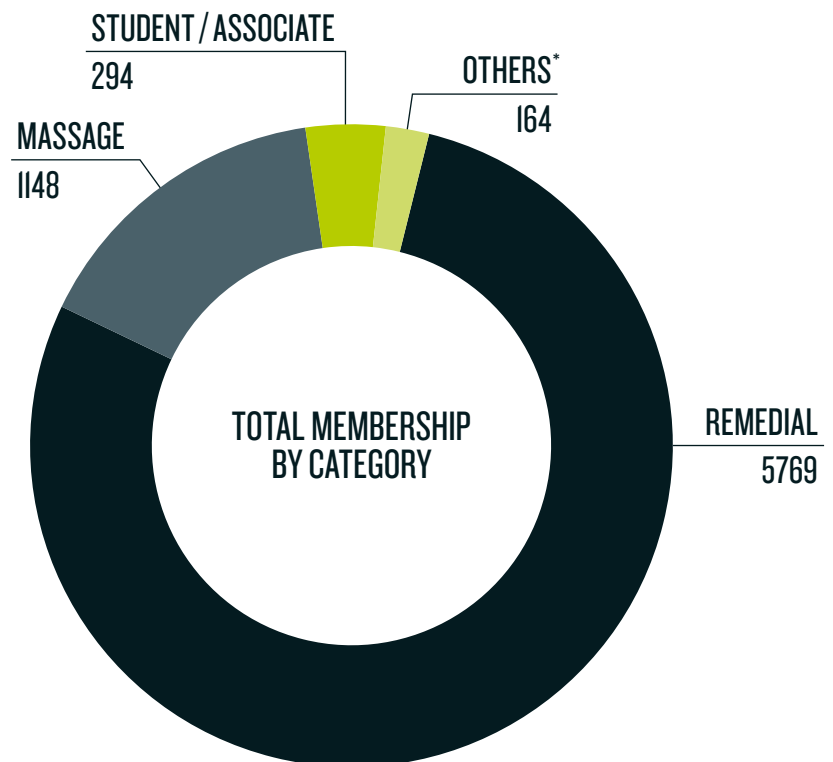
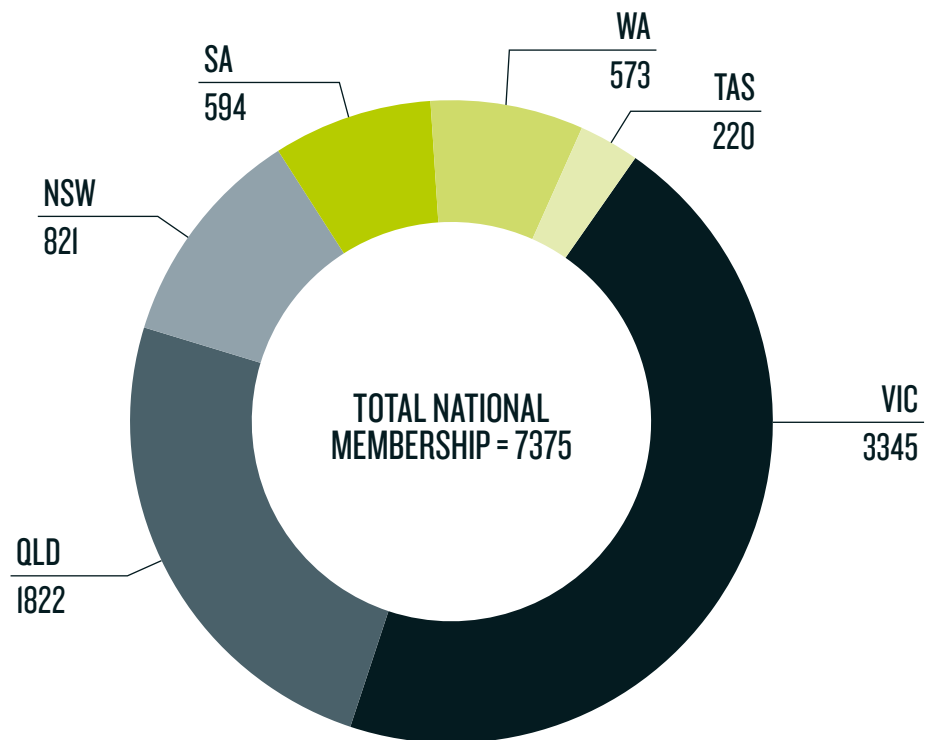
Offers a range of products at exclusively negotiated prices aimed at benefiting AAMT members, their families and business.

## DIVISIONS OF MEMBERSHIP

Membership of the company is divided into geographical regions based on the state or territory in which a member has their principal place of business.

The current divisions are as follows:

- Victoria
- New South Wales and Australian Capital Territory
- South Australia and Northern Territory
- Western Australia
- Queensland
- Tasmania



OTHERS\* – INCLUDE MEMBERS ON LEAVE OF ABSENCE AND LIFE MEMBERS

# Highlights & Summary 2012.

## RESULTS SUMMARY

	2012	2011
<i>Key Financial Data</i>		
Total Income	2,081,694	1,854,997
Total Expenses	(1,872,260)	(1,694,439)
<b>Net Profit before tax</b>	<b>209,434</b>	<b>160,558</b>
<b>Income Tax</b>	<b>14,734</b>	<b>0</b>
<b>Net Profit after Tax</b>	<b>194,700</b>	<b>160,558</b>
<b>Total Cash Assets</b>	<b>1,807,290</b>	<b>1,525,122</b>
<b>Total Assets</b>	<b>1,988,064</b>	<b>1,761,541</b>
<i>Key Ratios</i>		
Return on Total Assets	10.53%	9.11%
Current Ratio	2.20:1	1.93:1

## HIGHLIGHTS FOR YEAR ENDING 2011-2012

**21.26%**  
INCREASE IN NET  
PROFIT AFTER TAX

**12.22%**  
INCREASE  
in total income to 2.08 million.

**12.86%**  
INCREASE  
in total assets to 1.98 million.

**18.50%**  
INCREASE IN  
CASH ASSETS

### OTHER HIGHLIGHTS INCLUDED:

- New Membership E-Kit launched.
- Launch of Hands On; a new journal for students and the students portal on the AAMT website.
- Addition of 8 benefits to the Member Benefits Program.

# Committees of the Board of Directors.

AAMT Board of Directors have formed 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.

## EXECUTIVE COMMITTEE

The Executive Committee is a team made up of Board Directors working closely with the CEO to ensure that the company is compliant with all its legal responsibilities and may be called upon to make decisions in time of crisis. It is also responsible for management performance and management succession.

## GOVERNANCE COMMITTEE

The Governance Committee examines and monitors areas of policy and risk. It is also responsible for the constitution, board succession and board performance

## NATIONAL SERVICES COMMITTEE

The National Services Committee promotes the Association's members and activities, such as the Massage Therapy Week, through publications, media releases, and through its quarterly journal-The Journal of the Australian Association of Massage Therapists. The National Services Committee formulates strategies to increase and retain members. It initiates improvements in member services and provides input to enhance the member database.

## FINANCE & AUDIT COMMITTEE

The Finance and Audit Committee 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 EDUCATION & TRAINING COMMITTEE

The National Education Committee determines and provides the Association's input to the review of the Health Training Package by the Community Services & Health Industry Skills Council. It approves applications for accreditation of providers of Continuing Professional Education courses. It also develops policy and position papers for member's use.

## CONFERENCE COMMITTEE

The Conference Committee formulates the technical direction of the National conference, selects speakers and presenters, and ensures the efficient and smooth conduct 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 ethical conduct of members. See Separate Report.



# Ethics Committee.

## SUMMARY OF ETHICS CASES FOR THE FINANCIAL YEAR ENDING JUNE 30 2012

DIVISION	2012	2011	MATTER
New South Wales	0	1	Unprofessional Conduct
Queensland	0	1	Unprofessional Conduct
South Australia	1	0	Unprofessional Conduct
Tasmania	0	0	-
Victoria	2	3	Unprofessional Conduct
Victoria	1	-	Professional Misconduct
Western Australia	1	0	Professional Misconduct

The Ethics Committee may also refer certain cases for investigation to authorised bodies where it believes a criminal offence may have been committed. Serious complaints made against members involving criminal conduct are referred to the police for investigation. The 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.

The 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 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.

# President's Report.

The 2011/2012 financial year proved to be another success story for AAMT. The Company now has a financial turnover of over more than 2 million dollars. Entering into its tenth anniversary year of operation, it is safe to say that AAMT has evolved into the Peak industry body for Massage Therapists. With that responsibility on the shoulders of the current Board of Directors it is now more important than ever that as a board we evolve with the company and keep a finger on the pulse of the ever changing environment. In May 2012 I attended "The Australian Institute of Company Directors" Convention in Darwin. The Theme being, "The View from the Top". Truthfully, I have never felt so humble. Rubbing shoulders with the "Big End of Town" was an experience I will never forget. The Convention was run over four days and covered every aspect of managing a business available, on hand constantly were directors from such companies as Qantas, ANZ banking Group, Bunning's, KPMG all willing to offer advice and mentoring. Returning from this experience I realised that our Board of Directors must play a pivotal role in continuing their education in all aspects of business management and as such the board has agreed to increase expenditure on board training and established an ongoing director training program set with KPIs to enhance and secure management of AAMT into the future. The best advice I took away from this convention was, In an organization your biggest investment should be in training.

The year in review has been interesting, and many of our main issues will carry over into the next financial year. Regulation/ Registration will be ongoing as we continue to make progress towards some form of industry consistency, but what has been disappointing is the many organizations/associations who have either exited

or refuse to participate with NMRB (Natural Medicine Registration Board) in the quest for our industry to be accountable. At times it can be quite comical and it reminds me of the 1979 Monty Python Movie, "The Life of Brian" where the "People's Front of Judea" refuse to co-operate with the "Judean People's Front". AAMT is committed to an ongoing role with NMRB.

The Federal Governments Private Health Insurance Rebate (PHIR) "Review of Natural Therapies" announced at the Annual Federal Government Budget was something we didn't see coming and is certainly something that could have dire consequences for practitioner, clients and associations. The Health Department is conducting the review and Industry will have the opportunity to submit evidence based research in our goal to stay on as a recognised health provider of Natural Medicine with Private Health Insurers. In the scenario that Remedial Massage Therapy is not accepted, AAMT would need to look immediately at its role and restructure accordingly in reference to services provided to our customers. Be assured AAMT is well involved in the building of a strong submission for the review.

Over all it has been another promising year and a job well done to our Board of Directors & all of our team at AAMT office and a big thank you to our members for their ongoing support. I look forward to AAMT's tenth anniversary year in 2012/2013.



Garry Lavis  
AAMT President

# CEO's Report.

The decisions made by the Board in 2010/2011 to maintain our financial reserves and establish a strong position for sustainability have come to fruition. The business of AAMT has had a positive year with a financial turnover of over \$2 million of which only \$1.3 million was raised from the membership fees. The Association's equity is now over \$1 million. This sustainability provides an excellent platform for the organisation long term. The future, currently impacted by environmental change in the landscapes of education and health, will be an interesting one, and AAMT is establishing strong relationships to maintain our profession. This cannot be achieved without financial and human resources.

The year brought forward a strategy of investment in Directors, staff and members allowing for personal growth and development as individuals and businesspeople. The launch of the Ambassador Program, a strategy to increase our local profile and acknowledge volunteers on the ground, has been well received to date. Our volunteers are important to the success of the industry. AAMT will build on this important work in the next 12 months ensuring the connection between the members and the Association is open and transparent.

It has been a year of submissions to Government and health jurisdictions. I am particularly proud of the work performed on the review of public complaints received since 2003. The AAMT and its membership are committed to the education, ethical treatment and protection of health consumers in all facets of massage therapy.

'Complaints in massage therapy - Our problem - our solution', documents complaints over the past nine years. This transparent report provides information for the development of training in the tertiary sector regarding ethical conduct. For the public and other health providers to have trust in the standards AAMT expects of the membership base, it is important to share information that can improve awareness and encourage respectful relationships between practitioners and clients.

Our partners have been instrumental in providing advice, support and service throughout the year. Aon Risk Services have provided the Association with risk management strategies and sound advice on insurances. Our communications space has strengthened with Matheson Publishing and JMM Communications. Overall, the use of professional contractors this year has provided the AAMT with flexible options on projects and cost efficiencies in resources.

The next financial year will bring to a close the current AAMT Strategic Plan. The face of the industry's future is changing and the strength in our robust financial position will serve us well in providing deliverable to members and consumers alike.



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

# Corporate Social Responsibility.

At the Australian Association of Massage Therapists (AAMT) our vision is to be the organisation of choice for massage therapists in all states and territories across Australia. The Association recognizes the interdependence of financial returns, social benefits and environmental impacts to achieve this vision. We aim to create sustainable value for all our stakeholders-members, the Massage Industry, employees, business partners and communities which we serve. Sustainability and corporate social responsibility are integral to the way we do business.

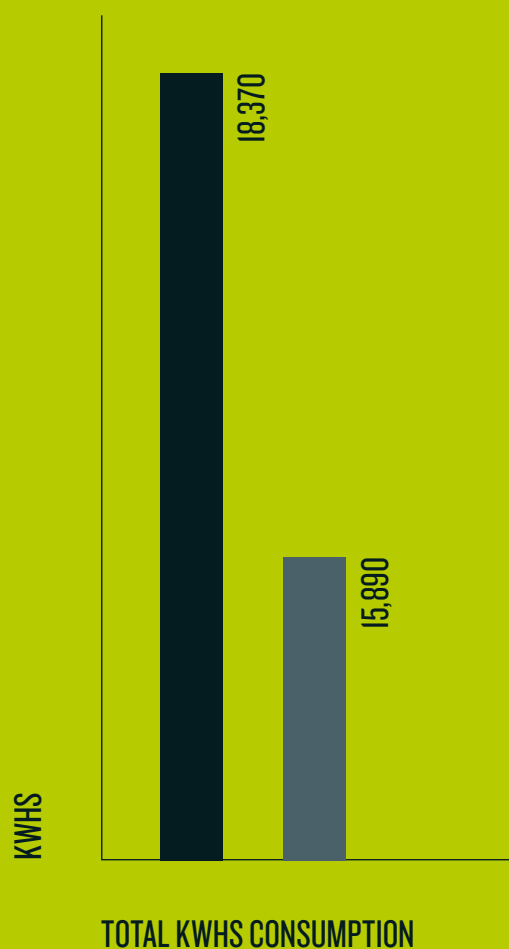
## ENVIRONMENT

Reducing our footprint through lower energy consumption:

The nature of our business as a professional membership organisation is such 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 the monthly electricity usage statistics derived from our electricity provider Lumo Energy.

AAMT changed to 100% Green power from 01/08/2011. During the reporting period, the total electricity consumption was 15,890 kwhs. The electricity consumption for the period ending 30/06/2011 was 18,370 kwhs. There has been a reduction of 13.50% in the energy consumption for the current year.

PERIOD	TOTAL KWHS CONSUMPTION
30/06/2011	18,370
30/06/2012	15,890



## COMMUNITY

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

Our CEO, Tricia Hughes participated in the national CEO Sleepout event held by the St Vincent DePaul Society on 21st June 2012. AAMT decided to contribute to the campaign not only to raise funds for a worthy cause, but also to provide a profile of the massage therapy and the membership base to decision makers. AAMT raised an amount of \$3,128 from the generous contributions of members, clinics, AAMT Board, staff, family & friends. Tricia Hughes has already registered for next year's event.

In addition, our staff raised \$384 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 recognizes 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 70% of our workforce is female.

AAMT provides a supportive and flexible working environment for our employees. It also promotes a culture based on teamwork, achievement and accountability and the Association continued to invest in staff training and professional development. The amount spent on training & development this year was 152% higher compared to the previous year.

Given the pressures created by the economic situation, we made an effort to ensure that the workplace continued to be a supportive environment. Health is important to AAMT and we encourage this in Staff by providing fresh fruits, flu vaccines, and a three month access to the Online Weight Watchers Program.

# Directors' Report.

Your directors present their report on the company for the year ended 30 June 2012.

## DIRECTORS

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

- Geoffrey Ernest Waldron
- Karen Tay Nichol
- Narelle Leigh James
- Kristie Ann Melling
- Belinda Laura Bolitho
- Garry Lavis
- Pamela Maria Claxton
- Colin John Thornby
  
- Ian Geoffrey Coward – Resigned 26 Nov 2011
- Paul Thomas McCann – Resigned 26 Nov 2011

## 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 \$194,700 (2011: \$160,558).

## 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 \$2,081,695 (2011: \$1,854,997) and operating expenses were \$1,872,260 (2011: \$1,694,439), which resulted to a surplus of \$194,700 (2011: 160,558). 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

<b>GEOFFREY ERNEST WALDRON</b>		<b>NON-EXECUTIVE DIRECTOR</b>	
Qualifications	Diploma of Teaching (Primary), Diploma of Arts (Fabric Printing) Diploma of Remedial Massage		
Experience	Primary teacher for 38 years. Practising massage for 19 years. Teacher of massage at private massage school. Has been involved with massage associations for 16 years and held senior positions within those associations for 12 years.		
Special Responsibilities	Member of Finance & Audit Committee, Chair of Ethics Committee		
<b>KAREN TAY NICHOL</b>		<b>NON-EXECUTIVE DIRECTOR</b>	
Qualifications	London Chamber of Commerce Dip Private Secretaryship, Certificate of Fitness, Vic Fit, Dip Health Massage, Certificate Tactile Therapies.		
Experience	Practised as Executive Secretary 7 Years, Treasurer and Secretary of Associations including massage association for the past 11 years. Has been practising as Remedial Massage Therapist for 16 years.		
Special Responsibilities	Company Secretary, Member of Ethics Committee, Member of Executive Committee, Chair of Finance & Audit Committee		
<b>NARELLE LEIGH JAMES</b>		<b>NON-EXECUTIVE DIRECTOR</b>	
Qualifications	Diploma of Remedial Massage, Bachelor of Social Science, Certificate III in Community Service (Early Childhood)		
Experience	Welfare worker/counsellor for 14 years. Practising massage for 9 years. Held various positions within the association for 7 years.		
Special Responsibilities	Member of Ethics Committee, National Vice President, Member of Executive Committee, Chair of Governance Committee		
<b>KRISTIE ANN MELLING</b>		<b>NON-EXECUTIVE DIRECTOR</b>	
Qualifications	Advanced Diploma Remedial Massage, Advanced Diploma Beauty Therapy		
Experience	Full time Massage Therapist for 12 years, Beauty Therapist for 6 years. Has been a member of National Board since 2009.		
Special Responsibilities	Member of Services Committee, Member of Conference Committee		
<b>BELINDA LAURA BOLITHO</b>		<b>NON-EXECUTIVE DIRECTOR</b>	
Qualifications	Diploma of Remedial Massage, Diploma of Natural Therapies, Certificate III in Fitness, Certificate IV in TAA		
Experience	Has been in the massage industry for 10 years. Owner and operator of small massage business in Carlisle south. Also worked at Challenger institute of technology (formally TAFE) for more than four years. Has been a member of the National Board for 4 years.		
Special Responsibilities	Member of Governance Committee		

## INFORMATION ON DIRECTORS – CONTINUED

<b>GARRY LAVIS</b>	<b>NON-EXECUTIVE DIRECTOR</b>
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, Chair of Executive Committee, Member of Governance Committee, National President.
<b>PAMELA MARIA CLAXTON</b>	<b>NON-EXECUTIVE DIRECTOR</b>
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. Has been a member of National Board since 2009.
Special Responsibilities	Member of Ethics Committee, Member of Services Committee.
<b>COLIN JOHN THORNBY</b>	<b>NON-EXECUTIVE DIRECTOR</b>
Qualifications	Diploma of Training & Assessment, Diploma of Management, Diploma of Professional Counselling, Mental Health First Aid (Adult), Doctor of Philosophy (sociology), Bachelor of Nursing, Master of Theology, Master of Spiritual Direction.
Experience	Is experienced in the health-care, education, faith community and not-for profit sectors and has been on the AAMT Board since 2011. He has competencies in counselling, higher education, training and assessment (vocational education and training), health care (nursing and health administration), human resources and change management.
Special Responsibilities	Member of Governance Committee, Member of Education & Training Committee, Member of Ethics Committee
<b>IAN GEOFFREY COWARD</b>	<b>NON-EXECUTIVE DIRECTOR</b>
Qualifications	Advanced Diploma Remedial Massage, Diploma of Yoga (Teacher)
Experience	Practising Remedial Therapists & Yoga Teacher for 14 Years. Was involved with the National Board for 4 years
Special Responsibilities	Member of Conference Committee, Chair of Services Committee
<b>PAUL THOMAS MCCANN</b>	<b>NON-EXECUTIVE DIRECTOR</b>
Qualifications	Diploma of Oriental Remedial Therapies, Diploma Myopractic, Diploma Massage, Certificate IV Workplace Assessment & Training, Certificate Craniosacral Therapy, Certificate Reiki, Certificate Rebirther
Experience	Practicing massage for 19 years. Lecturer in Myopractic and Remedial Massage. Was involved with the National Board for 4 years
Special Responsibilities	Member of Education & Training Committee.



## MEETINGS OF DIRECTORS

	DIRECTORS' MEETINGS & CIRCULAR RESOLUTIONS		FINANCE & AUDIT	
	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Geoffrey Ernest Waldron	4	4	4	3
Karen Tay Nichol	4	4	4	4
Narelle Leigh James	4	4	-	-
Kristie Ann Melling	4	4	-	-
Belinda Laura Bolitho	4	4	-	-
Garry Lavis	4	4	-	-
Pamela Maria Claxton	4	4	-	-
Colin John Thornby	2	1	-	-
Ian Geoffrey Coward	2	2	-	-
Paul Thomas McCann	2	2	-	-

## 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 \$5,850 (2011: \$5,959) 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 willful breach of duty in relation to the Association.

## PROCEEDINGS ON BEHALF OF 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



Narelle James

Dated this 26th of September 2012



Your directors present their report on the company for the year ended 30 June 2012.



# Financial *Report.*

YEAR ENDING JUNE 30 2012

# Statement of Comprehensive Income.

		2012 \$	2011 \$
Revenues from ordinary activities	2	2,081,694	1,854,997
Employee benefits expense		(635,812)	(591,766)
Depreciation and amortisation expense	3	(63,406)	(71,932)
Administration Expenses		(343,347)	(338,754)
Accommodation Expenses		(92,633)	(85,409)
Employment Expenses		(173,158)	(172,773)
Journal Expenses		(146,508)	(133,684)
Membership Expenses		(287,597)	(203,120)
CPE Direct Expenses		(104,219)	(75,038)
National Board Expenses		(25,580)	(21,842)
Other Expenses		-	(121)
<b>Total Expenses from Ordinary Activities</b>		<b>(1,872,260)</b>	<b>(1,694,439)</b>
<b>Profit from ordinary activities before income tax expense</b>		<b>209,434</b>	<b>160,558</b>
<b>Income tax expense relating to ordinary activities</b>	4	<b>14,734</b>	-
<b>Net profit for the year</b>		<b>194,700</b>	<b>160,558</b>
<b>Other comprehensive income</b>		-	-
<b>Other comprehensive income for the year</b>		<b>194,700</b>	<b>160,558</b>
<b>Total comprehensive income</b>		<b>194,700</b>	<b>160,558</b>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.

# Statement of Financial Position.

YEAR ENDING JUNE 30 2012

		2012 \$	2011 \$
<i>Current Assets</i>			
Cash and cash equivalents	7	1,799,498	1,509,271
Trade and other receivables	8	70,381	87,690
<b>Total current assets</b>		<b>1,869,879</b>	<b>1,596,961</b>
<i>Non-Current Assets</i>			
Trade and other receivables	8	9,251	200
Property, plant and equipment	9	108,933	164,379
<b>Total non-current assets</b>		<b>118,184</b>	<b>164,579</b>
<b>Total assets</b>		<b>1,988,063</b>	<b>1,761,540</b>
<i>Current Liabilities</i>			
Trade and other payables	10	792,328	768,652
Short-term provisions	11	59,983	58,976
<b>Total current liabilities</b>		<b>852,311</b>	<b>827,628</b>
<i>Non-Current Liabilities</i>			
Trade and other payables	10	5,467	5,467
Long-term provisions	12	34,287	27,147
<b>Total non-current liabilities</b>		<b>39,754</b>	<b>32,614</b>
<b>Total liabilities</b>		<b>892,065</b>	<b>860,242</b>
<b>Net assets</b>		<b>1,095,998</b>	<b>901,298</b>
<i>Equity</i>			
Reserves	13	131,596	131,596
Retained Surplus/(Deficit)	14	964,402	769,702
<b>Total equity</b>		<b>1,095,998</b>	<b>901,298</b>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.

YEAR ENDING JUNE 30 2012

# Statement of Changes in Equity.

	RETAINED EARNINGS \$	GENERAL RESERVES \$	TOTAL \$
Balance 1 July 2010	131,137	131,596	262,733
Profits from previous years	638,565	-	638,565
Other comprehensive income	-	-	-
Balance 30 June 2011	769,702	131,596	901,298
Profit for the year	194,700	-	194,700
Other comprehensive income	-	-	-
<b>Balance 30 June 2012</b>	<b>964,402</b>	<b>131,596</b>	<b>1,095,998</b>

THE ACCOMPANYING NOTES FORM PART OF THESE FINANCIAL STATEMENTS.

# Statement of Cash Flows.

YEAR ENDING JUNE 30 2012

		2012 \$	2011 \$
<i>Cash flows from operating activities</i>			
Receipts from operations		2,162,357	1,956,448
Payments to suppliers and employees		(1,774,348)	(1,605,585)
Borrowing Costs		-	(121)
Interest received		(66,037)	(57,303)
Income Tax		(14,734)	
<b>Net cash provided by (used in) operating activities</b>	<b>Note 21b</b>	<b>307,238</b>	<b>293,439</b>
<i>Cash flows from investing activities</i>			
Purchase of property, plant and equipment		(7,960)	(14,309)
Proceeds from sale of property, plant and equipment		-	-
Payments for the security bond		(9,051)	
<b>Net cash provided by (used in) investing activities</b>		<b>(17,011)</b>	<b>(14,309)</b>
<i>Cash flows from financing activities</i>			
Proceeds from acquisition		-	-
Proceeds from borrowings		-	-
Repayment of borrowings		-	(5,768)
Net cash provided by (used in) financing activities		-	(5,768)
Net increase in cash held		290,227	273,362
Cash and cash equivalents at the beginning of the financial year		1,509,271	1,235,909
<b>Cash and cash equivalents at the end of the financial year</b>	<b>Note 21a</b>	<b>1,799,498</b>	<b>1,509,271</b>

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 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 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 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:

FIXED ASSET BY CLASS	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 expense 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.

YEAR ENDING JUNE 30 2012

	2012 \$	2011 \$
<b>NOTE 2 – REVENUE FROM ORDINARY ACTIVITIES</b>		
<i>Operating activities</i>		
- member advertising	11,950	15,340
- member subscriptions	1,376,869	1,330,152
- sponsorship	142,660	132,828
- journal income	61,492	54,903
- conference income	252,261	149,021
- CPE event income	150,045	103,505
- association branded goods	9,967	5,760
- other revenue	10,413	6,185
<b>Total Revenue from Operating Activities</b>	<b>2,015,657</b>	<b>1,797,694</b>
Interest revenue from:		
- bank deposits	66,037	57,303
<b>Total interest revenue</b>	<b>66,037</b>	<b>57,303</b>
<b>Total Revenue from Ordinary Activities</b>	<b>2,081,694</b>	<b>1,854,997</b>
<b>NOTE 3 – DEPRECIATION &amp; AMORTISATION EXPENSE</b>		
Profit/(Loss) from ordinary activities before income tax has been determined after:		
<i>a. Expenses:</i>		
Depreciation of Non-Current Assets are as follows:		
- equipment, furniture and fittings	7,153	7,023
- computer hardware and software	49,930	56,583
- leased assets	-	-
- leasehold improvements	6,323	8,326
<b>Total Depreciation</b>	<b>63,406</b>	<b>71,932</b>
<b>Interest Paid</b>	-	<b>121</b>
<b>NOTE 4 – INCOME TAX EXPENSE</b>		
The prima facie tax on profit/(loss) from ordinary activities before tax is reconciled to the income tax as follows:		
Surplus from operations	209,434	160,558
Less: Net profit derived from member activities	171,212	141,198
<b>Net Profit from non members activities</b>	<b>38,222</b>	<b>19,360</b>
Less: Tax effect of		
- Net loss carried forward	(178)	(19,538)
<b>Net Tax Profit at end of year</b>	<b>38,044</b>	<b>(178)</b>
Add Employee FBT Contribution	11,070	-
Revised Net Profit at end of year	49,114	-
<b>Income tax expense calculated at 30%</b>	<b>14,734</b>	-

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

	2012 \$	2011 \$
<b>NOTE 5 – REMUNERATION AND RETIREMENT BENEFITS</b>		
<i>a. Directors' Remuneration</i>		
During the year remuneration paid or payable to all directors of Australian Association of Massage Therapists Limited and any related parties was:		
- directors' honoraria	8,302	10,102
	<b>8,302</b>	<b>10,102</b>
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	9	13
The names of directors of Australian Association of Massage Therapists Limited who have held office during the financial year and their respective remuneration are:		
Karen Tay Nichol	600	600
Ian Coward	300	450
Narelle James	600	150
Paul McCann	150	600
Niki Ruane	-	300
Gerald Savage	-	300
Annette Swinnerton	-	300
Garry Lavis	5,002	5,002
Nerissa Morley	-	150
Geoffrey Ernest Waldron	600	450
Belinda Bolitho	300	600
Kristie Melling	-	600
Pamela Claxton	600	600
Colin Thornby	150	-
	<b>8,302</b>	<b>10,102</b>

*b. Retirement and Superannuation Payments*

Amounts of a prescribed benefit given during the 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.

## YEAR ENDING JUNE 30 2012

	2012 \$	2011 \$
<b>NOTE 6 – AUDITORS’ REMUNERATION</b>		
Remuneration of the auditor of the Association for:		
- auditing or reviewing the financial report	6,450	11,750
- other services	586	-
- other services provided by related practice of auditor	-	-
<b>NOTE 7 – CASH AND CASH EQUIVALENTS</b>		
Cash on hand	105	310
Cash at bank	339,623	199,333
Term deposit	1,459,770	1,309,628
	<b>1,799,498</b>	<b>1,509,271</b>

The term deposit includes security deposit for Paypal of \$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.

	2012 \$	2011 \$
<b>NOTE 8 – TRADE AND OTHER RECEIVABLES</b>		
<i>Current</i>		
Trade debtors	1,916	1,510
Provision for doubtful debts	-	-
Trade debtors net of provision for doubtful debts	1,916	1,510
Other debtors	15,802	15,026
Prepayments	52,663	71,154
<b>Total Trade and Other Receivable</b>	<b>70,381</b>	<b>87,690</b>
<i>Non-Current</i>		
<b>Other Debtors</b>	<b>9,251</b>	<b>200</b>

YEAR ENDING JUNE 30 2012

	2012 \$	2011 \$
<b>NOTE 9 – PROPERTY PLANT &amp; EQUIPMENT</b>		
<i>Office equipment</i>		
At cost	63,623	62,714
Accumulated depreciation	39,130	31,977
	<b>24,493</b>	<b>30,737</b>
<i>Computer hardware and software</i>		
At cost	262,828	255,777
Accumulated depreciation	182,928	132,998
	<b>79,900</b>	<b>122,779</b>
<i>Leased assets</i>		
At cost	16,621	16,621
Accumulated depreciation	16,621	16,621
	-	-
<i>Leasehold improvements</i>		
At cost	42,029	42,029
Accumulated depreciation	37,489	31,166
	<b>4,540</b>	<b>10,863</b>
<b>Total Property, Plant and Equipment</b>	<b>108,933</b>	<b>164,379</b>

*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 AND SOFTWARE \$	LEASEHOLD IMPROVEMENTS \$	TOTAL \$
Balance at the beginning	30,737	122,779	10,863	164,379
Additions	909	7,051	-	7,960
Disposals	-	-	-	-
Depreciation expense	(7,153)	(49,930)	(6,323)	(63,406)
<b>Carrying amount at the end of year</b>	<b>24,493</b>	<b>79,900</b>	<b>4,540</b>	<b>108,933</b>

## YEAR ENDING JUNE 30 2012

	2012 \$	2011 \$
<b>NOTE 10 – TRADE AND OTHER PAYABLES</b>		
<i>Current</i>		
Trade creditors	31,854	30,217
Sundry creditors and accrued expenses	64,998	57,991
Subscriptions received in advance	695,476	680,444
	<b>792,328</b>	<b>768,652</b>
<i>Non Current</i>		
<b>Funds dedicated to South Australia Division</b>	<b>5,467</b>	<b>5,467</b>
<b>NOTE 11 – SHORT-TERM PROVISIONS</b>		
Employee entitlements	59,983	58,976
Aggregate employee entitlements liability - Annual Leave	59,983	58,976
<b>Number of employees at year-end (FTE)</b>	<b>10.4</b>	<b>8.4</b>
<b>NOTE 12 – LONG-TERM PROVISIONS</b>		
Employee entitlements	34,287	27,147
<b>Aggregate employee entitlements liability - Long Service Leave</b>	<b>34,287</b>	<b>27,147</b>
<b>NOTE 13 – RESERVES</b>		
<i>Debts Forgiven</i>		
Balance at beginning of financial year	131,596	131,596
<b>Balance at end of financial year</b>	<b>131,596</b>	<b>131,596</b>
<b>NOTE 14 – ACCUMULATED SURPLUS/(DEFICIT)</b>		
Accumulated surplus at beginning of financial year	769,702	609,144
Net profit attributable to the members of the Association	194,700	160,558
<b>Accumulated surplus at the end of the financial year</b>	<b>964,402</b>	<b>769,702</b>

### NOTE 15 – 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 2012 was 7,375 (2011: 7375).

	2012 \$	2011 \$
<b>NOTE 16 – CAPITAL AND LEASING COMMITMENTS</b>		
<i>a. Operating Lease Commitments</i>		
Payable		
- not later than one year	78,540	65,462
- later than 1 year but not later than 5 years	157,080	130,925
	<b>235,620</b>	<b>196,387</b>

The operating lease is for the rental of office premises for 5 years with annual increase of 5% for the term of the lease.

*b. Capital Commitments*

At 30 June 2012 and at the date of signing this financial report there are no known commitments for capital expenditure.

**NOTE 17 – CONTINGENT LIABILITIES**

At 30 June 2012 there are no known contingent liabilities.

**NOTE 18 – SEGMENT REPORTING**

The Association operates predominantly in one business and one geographical segment being a member association for massage therapists throughout Australia.

**NOTE 19 – KEY MANAGEMENT PERSONNEL COMPENSATION**

The names and positions of those having authority for planning, directing and controlling the company's activities, directly or indirectly (other than directors), are:

- Tricia Hughes - Chief Executive Officer
- Ann Davey - Association Manager
- Roy John - Finance Manager

For the compensation paid to the key management personnel noted above please refer to table below.

**NOTE 20 – 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.

	TOTAL COMPENSATION 2012	TOTAL COMPENSATION 2011
Short Term Benefits	\$288,411.00	\$266,553.00
Post Employment Benefits	\$26,073.00	\$24,311.00
Total	\$314,484.00	\$290,864.00

REFER TO NOTE 19 – KEY MANAGEMENT PERSONNEL COMPENSATION.

## YEAR ENDING JUNE 30 2012

	2012 \$	2011 \$
<b>NOTE 21 – CASH FLOW INFORMATION</b>		
<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 and Cash Equivalents	1,799,498	1,509,271
<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	194,700	160,558
Non-cash flows in profit from ordinary activities		
Depreciation	63,406	71,932
Income Tax	-	-
Decrease/(increase) in receivables	(406)	870
Decrease/(increase) in other debtors	(776)	6,106
Decrease/(increase) in prepayments	18,491	(8,737)
Increase/(decrease) in payables	1,637	11,031
Increase/(decrease) in other payables	7,007	(12,300)
Increase/(decrease) in subscriptions in advance	15,032	43,278
Increase/(decrease) in employee entitlements	8,147	20,701
Loss on sale of fixed assets	-	-
<b>Net Cash inflow from operating activities</b>	<b>307,238</b>	<b>293,439</b>

## NOTE 22 – 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



**NOTE 23 – 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	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Financial Assets</i>												
Cash and cash equivalents	4.0	4.2	1,799,498	1,509,271	-	-	-	-	-	-	1,799,498	1,509,271
Receivables	0.0	0.0	-	-	-	-	-	-	70,381	87,690	70,381	87,690
<b>Total Financial Assets</b>			<b>1,799,498</b>	<b>1,509,271</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70,381</b>	<b>87,690</b>	<b>1,869,879</b>	<b>1,596,961</b>
<i>Financial Liabilities</i>												
Trade & sundry creditors	0.0	0.0	-	-	-	-	-	-	96,852	88,208	96,852	88,208
Lease Liability	0.0	0.0	-	-	-	-	-	-	-	-	-	-
Hire Purchase Liability	0.0	0.0	-	-	-	-	-	-	-	-	-	-
<b>Total Financial Liabilities</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>96,852</b>	<b>88,208</b>	<b>96,852</b>	<b>88,208</b>

*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.

## YEAR ENDING JUNE 30 2012

### *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.

	2012 CARRYING AMOUNT	2012 NET FAIR VALUE	2011 CARRYING AMOUNT	2011 NET FAIR VALUE
<i>Financial Assets</i>				
Trade and other receivables	70,381	70,381	87,690	87,690
<i>Financial Liabilities</i>				
Trade and other payables	96,852	96,852	88,208	88,208
	<b>96,852</b>	<b>96,852</b>	<b>88,208</b>	<b>88,208</b>

FAIR VALUES ARE MATERIALLY IN LINE WITH CARRYING VALUES.

# Director's Declaration.

## THE DIRECTORS OF THE COMPANY DECLARE THAT:

1. The financial statements and notes, as set out on pages 20 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 2012 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



Narelle James

Dated this 26th of September 2012

**AUDITOR'S INDEPENDENCE DECLARATION UNDER  
SECTION 307C OF THE CORPORATIONS ACT 2001 TO  
THE DIRECTORS OF AUSTRALIAN ASSOCIATION OF  
MESSAGE THERAPISTS LTD**

I declare that, to the best of my knowledge and belief,  
during the year ended 30 June 2012 there has 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

26 September 2012 / Blackburn, Victoria

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AUSTRALIAN ASSOCIATION OF MASSAGE THERAPISTS LTD

### *Report on the Financial Report*

We have audited the accompanying financial report of Australian Association of Massage Therapists Ltd (the company), which comprises the statement of financial position as at 30 June 2012, 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 that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements (including the Australian Accounting Interpretations) and the *Corporations Act 2001* 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial report based on our audit. We 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 Ltd 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 2012 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards - Reduced Disclosure Requirements (including Australian Accounting Interpretations) and the *Corporations Regulations 2001*.



Robert J Hurrell, FCA  
rdl.accountants

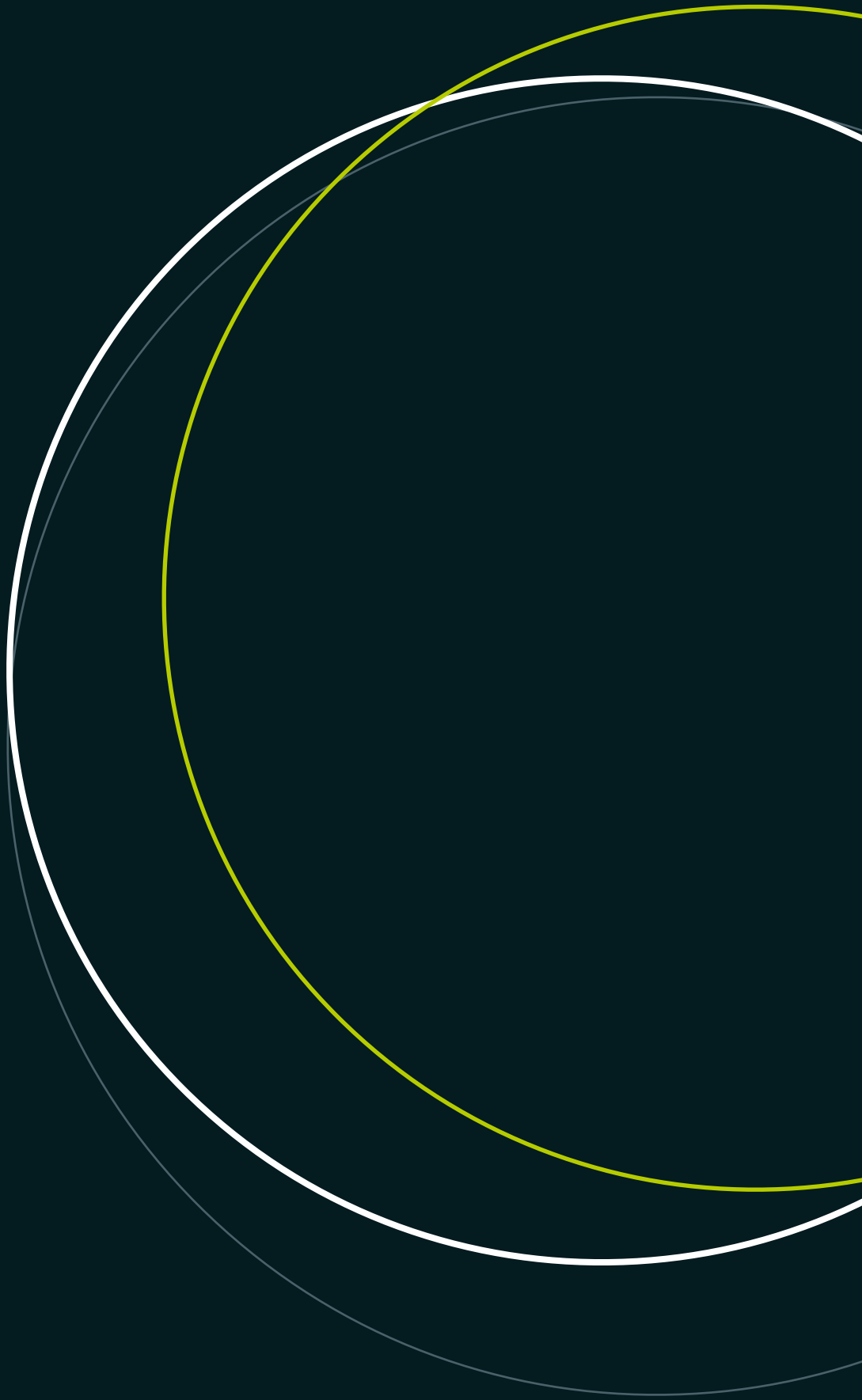
26 September 2012 / Blackburn, Victoria

*Ensuring a high  
standard of practice  
whilst providing rules  
of conduct, ethics &  
standards & ensuring  
quality & delivery  
of massage training.*

The image features a dark blue background with several overlapping, curved lines in white and yellow. The lines are smooth and fluid, creating a sense of movement and depth. The text is positioned in the upper left quadrant, written in a light grey, italicized serif font. The overall aesthetic is modern and professional.



*AAMT represents  
over 7,500 members  
around Australia.*



**AUSTRALIAN ASSOCIATION OF MASSAGE THERAPISTS LTD**

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