



**Annual
Report
2015
—16**

Australian
Association
of Massage
Therapists
Limited

Contents

About AAMT	02
Highlights	06
Committees of the Board of Directors	07
Ethics Committee	08
President's Report	09
CEO's Report	11
Corporate Social Responsibility	13
Directors' Report	15
Information on Directors	17
Meetings of Directors	21
Management Profiles	23
Statement of Comprehensive Income	25
Statement of Financial Position	26
Statement of Changes in Equity	27
Statement of Cash Flows	28
Notes to the Financial Statements	29
Directors' Declaration	44
Auditor's Independence Declaration	45
Independent Auditor's Report	46

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.

AAMT's History

Throughout our 13 year history, AAMT has been a dynamic organisation, growing, adapting and evolving to serve its members, the profession and the community. Australian Association of Massage Therapists Limited (AAMT) is the peak representative body for massage therapists in Australia and was formed following the amalgamation of five major Australian massage associations in 2003.

Serving our Recognised Members:

AAMT represents over 8,600 members. AAMT is a self-regulating membership organisation which advocates high standards of ethical and professional practice among its members. These standards are initially 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.

Serving the Public

AAMT provides a free referral service for the public to ensure they receive the best possible treatment and care. AAMT certifies massage therapists on behalf of the profession for the benefit of consumers, health fund providers and employers.

Our Organisation

AAMT is a public company limited by guarantee. It was incorporated in 2003 under the Corporations Act 2001 (Cth).

AAMT operates on a not-for-profit basis, and has gained financial stability over the last 13 years, totally funding its own operations without any borrowings. Favourable financial outcomes have provided the AAMT management with resources to sustain and provide value added activities and benefits for its geographically and demographically diverse members. This annual report provides comprehensive details of AAMT's outcome of operations based on sustainable and responsible business.

AAMT rebranded as Massage & Myotherapy Australia on 1 September 2016, however as the company name is the Australian Association of Massage Therapists Limited, this Report refers to 'AAMT' throughout.

Primary Services for Members

Health Fund Provider Status

Health insurance funds accept AAMT members as providers to enable their clients to access rebates.

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.

Continuing Professional Education (CPE)

Members are offered hands-on workshops, online webinars, online courses and an annual conference to provide ongoing continuing professional education. Courses or workshops offered by AAMT Accredited Providers are also recognised for CPE.

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.

WorkCover

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

Journal

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

AAMT's eNewsletter

The eNewsletter is sent to members each month with their membership details and other useful information and resources.

Website

Featuring "Members Only" the website carries a range of information for both the public and members. The 'Australian Massage Directory' connects public with accredited massage therapists across various massage disciplines based on suburb or postcode.

The website also provides the facility for registering for new membership, CPE events, online courses, shopping cart and updating of member details.

Online payments through the website are safe and secured by SSL certificate issued by GoDaddy.

Member Benefits

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

Divisions of Membership

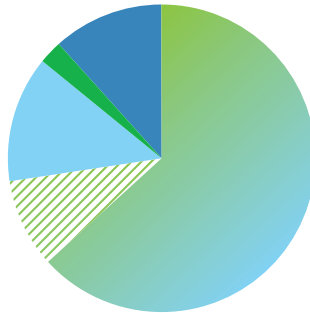
Membership of the Association is divided into geographical regions based on the state or territory in which a member has their principal place of business. The current divisions are as follows:

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

CATEGORY	Division						Total
	VIC	QLD	NSW	SA	WA	TAS	
Advanced	433	38	35	6	9	1	522
Remedial	2354	1646	838	622	639	224	6323
Massage	349	200	122	58	48	30	807
Student	494	32	132	12	93	3	766
Others*	91	45	33	15	27	6	217
Total	3721	1961	1160	713	816	264	8635

Total Membership by category

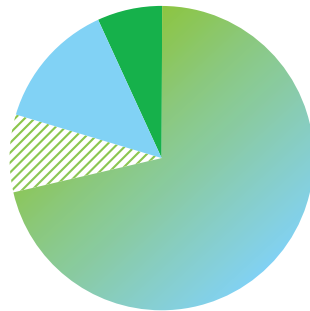
Others* include Members on Leave of Absence, Affiliates and Life Members



Remedial	6323
Massge	807
Student	766
Others*	217
Advanced	522

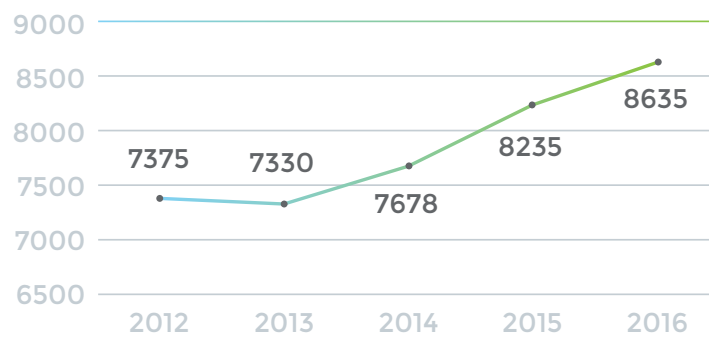
Total Membership by qualification

Does not include the qualifications of Students and Affiliates



MYO & Bachelor	546
HLT Diploma	5638
HLT Cert IV	651
Assessed	1069

Membership Figures for 5 years



Results Summary

Key Financial Data	2016 (\$)	2015 (\$)
Total Income	2,388,437	2,259,461
Total Expenses	(2,384,626)	(2,025,079)
Net Profit before Tax	3,811	234,382
Income Tax	(8,872)	(6238)
Net Profit after Tax	(5,061)	228,144
Total Assets	2,581,614	2,609,255
Total Net Assets	1,577,478	1,582,539

Key Ratios	2016 (\$)	2015 (\$)
Return on Total Assets	0.15%	8.98%
Current Ratio	2.65	2.58

AAMT's performance in 2016 has been positive. We continued to deliver a strong performance with a slender surplus before tax.

Key Metrics	2012	2013	2014	2015	2016
No of Members	7375	7330	7678	8235	8635
Membership Growth (Annual)	0.00%	-0.61%	4.75%	7.25%	4.86%
Membership Retention (Annual)	84.28%	86.71%	89.99%	91.38%	88.66%

Revenue Sources	2012	2013	2014	2015	2016
Membership	66.14%	70.93%	70.75%	73.01%	72.34%
Continuous Professional Development	7.21%	6.41%	5.93%	5.58%	5.26%
Corporate Sponsorship	6.85%	7.28%	6.74%	6.82%	7.84%
Annual Conference	12.12%	8.89%	9.56%	7.47%	8.15%

Highlights for 2015–2016

Financial Highlights for 2015–2016

- Increase of 5.71% in total income to 2.38 million

Other Highlights

- Launch of HALO new online learning platform for members
- 88.66% Member Retention
- More than 25,100 Inbound phone calls
- New Corporate Partnership with Melrose Health
- New Corporate Partnerships with Endeavour College of Natural Health
- New Merchant Services & Alliance Partner Agreement with CBA
- Two submissions to the Department of Health Medical Research Future Fund in collaboration with Myotherapy for the development of the Australian Medical Research and Innovation Strategy & related priorities
- Appointing Certex an independent agency in developing an Industry Standard and Certification Program
- 141,465 Unique Visitors to our website aamt.com.au
- 208,914 Number of visits to our website aamt.com.au
- Successfully passed all private health insurance fund audit requirements

Challenges for 2017

- Meeting the expectations of the public around health providers
- The changing nature of the government, ministers and health fund policies
- Quality assurance of RTOs and the implementation of qualifications
- Staying ahead of rapid changes in technology and education delivery
- Meeting the needs of a geographically and demographically diverse membership
- Managing operations in a competitive marketplace and providing more value added benefits to the members

Committees of the Board of Directors

The 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 the 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.

Audit & Risk Committee

The Audit and Risk 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.

Education Committee

The 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 and advocates policy and position papers for submission to governments, statutory authorities and the community.

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

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.

Summary of Ethics cases for the Financial Year ending June 30 2016

Division	2016	2015	Matter
New South Wales	1	0	Professional Misconduct
ACT	1	0	Unprofessional Conduct
Queensland	3	2	Unprofessional Conduct
Queensland	0	2	Professional Misconduct
South Australia	0	1	Unprofessional Conduct
NT	1	0	Professional Misconduct
Victoria	3	4	Unprofessional Conduct
Victoria	3	1	Notifiable Conduct
Victoria	2	0	Professional Misconduct

President's Report



On behalf of the AAMT board, staff and CEO, I present to you the annual report for the 2015–2016 financial year. This report is testament to the continued efforts of the Board and staff, for which I am grateful. We also acknowledge the dedicated work of our CEO, Tricia Hughes, for her drive and commitment to improving the organisation and the wider industry.

The organisation maintains a strong and stable financial position, underpinned by our focus on good governance and sound financial management.

In the past year, the organisation has stepped into new and uncharted territory. With a renewed and refreshed brand, new name, and Certification scheme, there is plenty to feel positive about. As leaders in the massage and myotherapy industry in Australia, we can rightfully state that our industry is vibrant and flourishing.

Early this year, the Board demonstrated great strategic vision by announcing a Certification scheme. This assists the organisation in meeting its Strategic Plan objective to strengthen self-regulatory mechanisms. More widely, it assists the broader industry to work together to improve quality assurance mechanisms to further protect consumers. We will continue to invite and collaborate with the whole of the industry to move this forward for the benefit not only of our industry, but also for the benefit of the public.

The rebranding of the organisation respectfully acknowledges the legacy of our past while introducing and welcoming the future. Massage has been, and will always be, our focus, but we need to embrace the changing face of our industry. We do this by accepting myotherapy into the Association, with a distinct level of membership, worthy of the academic rigour myotherapists pursue. With the new brand and Certification program, the Association can profile and promote our membership base with greater strength and clarity to the Australian public.

We also acknowledge the small but growing group heading towards the end of their careers in massage, with the new 'Retiring' level of membership. This passionate set of therapists wish to remain connected to their industry while they scale down their practice. We thank them for their years of compassionate practice and trust this level of membership will keep them engaged throughout this part of their career.

The Association's Ambassadors continue to provide great support to our members, assisting in disseminating information and supporting our CPE events. These passionate members are all volunteers and the Board thanks them for their continued commitment.



Paul McCann
AAMT President

CEO's Report



The 2015 to 2016 financial year has been one of scene setting for the Association in which we reached out to government jurisdictions nationally covering a range of concerns affecting the sector. We also announced a new Certification program and, in line with the strategic plan, a significant re-branding program.

During the year, the Association made several submissions to government and letters to Ministers. The content covered topics such as lack of strategic research into complementary frameworks, integration of service with aged care initiatives, abuse of 457 visas including human trafficking, and anti-competitive social policy involving allied health. Although these do not attract immediate results, the cumulative effect ensures that health jurisdictions and Ministers are aware that we will not let these issues go until they are acknowledged. The Association also entered into collaborative submission with Myotherapy Association Australia.

The commitment to quality assurance of practitioners was escalated with the announcement of a Certification program that will provide health service consumers with a more informed choice about their therapist. This program,

in collaboration with other associations – and developed independently with a third party – is the initial step of a cohesive standard for Australia covering massage, remedial massage and myotherapy. The insular and competitive history of the sector has begun to be peeled away through transparent quality assurance of therapists that will be available to all, regardless of membership of any single association. The sector has matured, the public's expectations are increasing and the demand must be met with strategic initiatives.

This commitment to quality assurance also saw the removal from the Association of any members who refused to participate in simple compliance requirements of public liability and malpractice insurance and First Aid currency. Audits are regularly occurring as part of compliance and the contractual arrangement with private health insurance funds.

The financial year has seen an increase in contact with the office in relation to complaints of sexual assault, rape and digital spying on clients brought forward to the Association by the police, Health Commission and Department of Public Prosecutions. The Association has zero tolerance for this conduct and significant time as been spent on legal cases involving members, members of other associations and unqualified massage therapists. Our second report, *Complaints in Massage Therapy: Our Problem – Our Solution*, documenting complaints and trends since the early 2000s, launched in September 2016.

The financial year has been generous to the organisation, notwithstanding the high level of activity servicing members and providing benefits through our partners: AON, Endeavour and Melrose, directly to membership. Strategic partnerships allow the Association to develop and provide service to membership without continual increases in members' fees or user pays fees for services. Before any relationship is made, the benefits to members, directly and indirectly, are weighed against any conflict of interest. This service included a strong rebrand in response to the members' survey that influenced the Strategic Plan. A dedicated marketing plan will roll out through the next 12 months.

The Association's staffing increased alongside the membership with an EFT of 11 staff plus contractors in specialist fields of legal, publications, government relations, IT and media. My personal thanks to Sally Matheson of Matheson Publishing and Glenn Schaubé of GRS Communications for their support and guidance throughout the year. Thanks also to the AAMT Board, President Paul McCann and Vice President Rebecca Byrne. The governance of the organisation is in safe hands with the Board's commitment to formal governance training, continual improvement and strategic goals for the sector.

Although the future-scape of the sector may appear volatile for membership, the gradual improvements to quality and transparency can only improve the sustainability for small business as health consumers identify with professional therapists, not with the health rebate.



Tricia Hughes
BA (Soc Sci), Dip HR Mgmt,
MAICD, GIA (Cert)
Chief Executive Officer
Company Secretary

Corporate Social Responsibility

The vision of AAMT (now Massage & Myotherapy Australia) is to be the organisation of choice for massage and myotherapy practitioners in Australia. The Association recognises the interdependence of financial returns, social benefits and environmental impact in achieving this vision.

We aim to create sustainable value for all the members, the massage and myotherapy industry, employees, business partners and communities which we serve. Sustainability and corporate social responsibility are integral to the way we do business.

Environment

Our impact on the environment is relatively low as we are an office-based organisation. We are committed to ensuring that we reduce the environmental impact of our operations where possible.

Electricity usage

Electricity usage in our office decreased in 2016 by 4.79%. During the reporting period, the total electricity consumption was 11,428 kwhs. The electricity consumption for the period ending 30/06/2015 was 12,003 kwhs. We continue to purchase 100% green power.

Supply chain

As a membership-based organisation, our supply chain related impacts are minimal. We procure office supplies, graphic design, printing, IT services, legal and accounting services predominantly from local Melbourne-based firms. We currently do not have environmental or labour practice criteria to access new and

existing suppliers. We recycled old printer cartridges and drums with Ricoh's Metro area pick up consumables recycling program during the year.

We continue to send all membership renewal invoices, except the reminder and final notice, by email. The default mode of communication has been changed to email unless notified by the member.

Community

We believe in contributing to the welfare of the community, both directly and through involvement and support of the massage and myotherapy industry by representation and advocacy. We provide a free referral service to ensure that the public has access to the

best possible treatment and care. The Australian Massage Directory makes it easier for the public to search for a therapist based on local area and their preferred modality.

It is our strong commitment to protect the public and support its membership that has led the Association and its members to high levels of recognition in the massage and myotherapy industry. Through its Postgraduate Sports Scholarship Scheme in 2016, we awarded a scholarship to Selena Hagan, who underwent a ten day postgraduate learning program, made possible through a partnership with the Australian Institute of Sports (AIS) Soft Tissue Therapy Department. We continue to support the University of Technology Sydney with the University's Australian Research Centre in Complementary and Integrative Medicine (ARCCIM) and the International CM Research Leadership and Capacity Building Program. All the staff also generously donated gifts to the St Vincent's Christmas appeal for the second year in a row.

Health and safety in the workplace

Workplace health and safety is a high priority for us. We provide flexible work arrangements, including part time work and hours of work, to support our employees and their families. A First Aid refresher program was provided to all staff. St John continue to replenish the first aid kit every six months. Fire wardens are also encouraged to attend various training programs on a regular basis. Fresh fruit is provided to all staff to encourage healthy eating habits. We continue to provide the free flu vaccination to all staff during the year and also sponsored a staff member to participate in the Australian Corporate Games held in Melbourne to encourage exercise and physical fitness.

Our staff

We have a culturally diverse workforce and a strong commitment to encouraging diversity at all levels. As an equal opportunity employer, gender diversity is important to us. At 30 June 2016, out of a total workforce of 12 staff, 75% were female.

We value and recognise our employees by encouraging opportunities for professional development to help achieve organisational goals. The investment in training and development in FY 2016 increased by 41.67% (2016 \$25,367, 2015 \$17,906). We focus on employee's engagement through fortnightly staff meetings, quarterly management meetings and annual performance reviews.

Directors' Report

The Directors present their report on the company, together with the financial statements, for the year ended 30 June 2016.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

- David Graeme Sheehan
- Paul Thomas McCann
- Robert James Rogerson
- Rebecca Susan Byrne
- Paula Elizabeth Nutting
- Alexis Nicholas Watt
- James Joachim Flaxman
- Vince Joseph Cosentini
- Madeleine Eve Rose
Appointed 21/11/2015
- Pamela Maria Claxton
Resigned 21/11/2015

Short Term Objectives

To define qualified professional massage, remedial and myotherapy practitioners to improve quality assurance for the health consumer.

Long Term Objectives

Encourage and disseminate research in the areas of massage therapy and to 'certify' practitioners through a robust, independent review process.

Strategies

- To provide clearly defined advanced levels of professional standing and Certification
- To promote professional members as safe and quality assured
- To implement and educate members around the National Code of Conduct for Unregistered Practitioners

The company has signed an agreement with University of Technology Sydney to support the study on cost utility of massage for the management of low back pain in Australia, identifying economic data which assists in achieving the long term objectives.

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 deficit of the company after providing for income tax amounted to (-\$5,061) (2015: \$228,144)

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 \$2,388,437 (2015: \$2,259,461) and operating expenses were \$2,384,626 (2015: \$2,025,079), which resulted in a deficit of (-\$5,061) (2015: \$228,144). The association is a not for profit organisation and the majority of its income is not subject to income tax.

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

David Graeme Sheehan

Non-Executive Director

Qualifications: Bachelor of Applied Science (Human Movement), Diploma of Education, Diploma of Health Science (Remedial Therapy), Certificate IV in Governance

Experience: Was Head Sports Trainer for Banyule Football Club, Professional Conference organiser for AAMT, Teacher and Presenter of Myofascial Cupping, Managing Director of Complementary Health Seminars a continuing education provider for soft tissue therapists

Special Responsibilities: Member of Conference Committee

Paul Thomas McCann

Non-Executive Director

Qualifications: Diploma of Oriental Remedial Therapies, Diploma Remedial Massage Therapy, Diploma of Acupressure, Acumoxibustion, Chinese Medicine Theory and Philosophy, Diploma Myopractic, Diploma of Therapeutic Massage, Certificate IV Workplace Assessment and Training, Certificate of Advanced Acupressure and Clinical Practice, Certificate in Craniosacral Therapy, Certificate in Reiki, Certificate in Dry Needling, Certificate Rebirther

Experience: Director of Massage services within a large multi-disciplinary allied health practice in Adelaide, Senior Lecturer with Australian Institute of Applied Science, Practicing massage for 26 years

Special Responsibilities: National President, Chair of Executive Committee

Robert James Rogerson

Non-Executive Director

Qualifications: Accountancy Diploma, Certified Internal Auditor, Fellow of the Institute of Public Accountants, Member of the Institute of Internal Auditors, Associate Financial Services Institute of Australasia, Cert IV Frontline Management, Cert IV Massage Therapy, Lean Competency – Fundamentals, Cert IV in Governance

Experience: Commonwealth Bank 16 yrs – 8 yrs internal audit, Peoples Choice Credit Union 8 yrs – 4 years internal audit, 4 years loans and special projects, KPMG – Internal Audit and Advisory 6 years, Adelaide Casino One and half years – Regulatory Affairs Manager, SA Health 2 Months – Business Analyst, Junction Australia – Current Part-time Compliance Officer

Special Responsibilities: Member of Audit & Risk Committee, Member of Executive Committee

Rebecca Susan Byrne

Non-Executive Director

Qualifications: Diploma of Vocational Education and Training, Diploma of Training Design and Development, Diploma in Remedial Massage, Cert IV in Workplace Training and Assessment, Certificate IV Dance Therapy Practice, Cert IV in Governance

Experience: Lecturer in Remedial Massage for South Metro TAFE Institute for 11 years, Co-ordinator Remedial Massage at South Metro TAFE, 12 years remedial massage experience in private practice, Founder and Director of Living Dance Institute and Studio

Special Responsibilities: National Vice President, Chair of Ethics Committee, Member of Executive Committee

Paula Elizabeth Nutting

Non-Executive Director

Qualifications: Bachelor Science Musculoskeletal Therapy, Diploma of Remedial Therapy, Certificate IV Workplace Training and Assessment, Certificate III Cosmetology, Registered Nurse (III certificate), Cert IV Group Fitness and Personal Trainer, Cert IV in Governance

Experience: Practiced Remedial massage for 18 years, Musculoskeletal Therapy 9 years, Involvement in setting curriculum for Cert IV and Diploma of Massage relating to Health Training Package. Actively involved with Massage Associations for 12 years. Face to Face interaction and collaboration with various Canadian Massage Associations in areas of Governance, Ethics and Education.

Special Responsibilities: Chair of Education Committee

Alexis Nicholas Watt

Non-Executive Director

Qualifications: Masters in Business Administration, Masters in Human Resource Management, Bachelor of Arts (Psychology and Philosophy), Cert IV in Training and Assessment, Graduate, Australian Institute of Company Directors, Lean Systems (Yellow Belt), Certified Professional (Australian Human Resources Institute)

Experience: VET and Higher Education Sectors Public and Private 15 years, Hospitality Industry 15 years, Retail Sector 3 years, Member and Deputy Chair - Governing Council (Public Primary School), Chair elect, State Committee (Australian Council for Private Education and Training), Director elect (Australian Council for Private Education and Training), Member National VET Committee (Australian Council for Private Education and Training), Member National Quality and Ethics Committee (Australian Council for Private Education and Training), Member and private RTO representative, Member Clinical Training Council (SA Health), Member Clinical Placement Education Providers Group (SA Health), Member Health Industry Reference Group (Australian Medical Association), National Chair Industry Reference Group (Enrolled Nursing), Member Cross Sectoral Skills Committee (Skills IQ)

Special Responsibilities: Member of Education Committee

Information on Directors (cont.)

James Joachim Flaxman

Non-Executive Director

Qualifications: Diploma of Soft Tissue Manipulation, Diploma of Remedial Massage, Certificate in Reflexology, Certificate in Kinesiology

Experience: 25 years in private practice

Vince Joseph Cosentini

Non-Executive Director

Qualifications: Advance Diploma in Applied Science (Remedial Massage), Cert IV Workplace Assessment, Level 1 Sports Trainer (Sports Medicine Australia)

Experience: Massage Therapist – Italian World Cup Rugby Team (2003), Team Soft Tissue Therapist/Soigneur AIS Road Cycling Team – Tour of Italy, France, Spain and Japan (2005), Soft Tissue Therapist – Australian Institute of Sport (2006 to Current), Soft Tissue Therapist at AIBA World Championships 2007, 2009 2011 and 2013, Educator/Lecturer – Canberra Institute of Technology (2009 to 2015), Soft Tissue Therapist 2011 ICF World Championships, Soft Tissue Therapist 2010 Delhi Commonwealth Games, Soft Tissue Therapist 2012 London Olympic Games, Soft Tissue Therapist 2015 FINA World Championships, Soft Tissue Therapist 2015 FIFA U 17 World Cup, Soft Tissue Therapist 2016 Rio Olympic Games

Special Responsibilities: Member of Audit and Risk Committee

Madeleine Eve Rose

Non-Executive Director

Qualifications: Diploma of Remedial Massage Therapy, Certified Pilates Instructor, Biodynamic Craniosacral Therapist

Experience: Clinical Therapeutic/Remedial Massage Practice since 2003, Member college of Massage Therapists of Ontario 2004–2006, Member college of Massage Therapists British Columbia 2005–2014, AAMT Director since November 2015

Special Responsibilities: Member of Conference Committee

Pamela Maria Claxton

Non-Executive Director

Qualifications: Diploma of Remedial Massage, Cert IV in Bowen Therapy, Lymphoedeama Therapist Level 2 (Caseley Smith Method), Registered Nurse, Bachelor of Health Administration (UNSW), Master of Clinical Nursing (UTAS), Cert IV in Governance

Experience: Nine years experience in own massage practice in regional Tasmania focussing on oncology and lymphoedeama therapies, concurrently practicing as a Registered Nurse in Aged Care. Has been a member of National Board since 2009.

Special Responsibilities: Member of Ethics Committee, Member of Executive Committee

Meetings of Directors

	Directors' Meetings		Finance & Audit	
	Number Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
David Graeme Sheehan	4	4		
Paul Thomas McCann	4	4		
Robert James Rogerson	4	4	4	2
Rebecca Susan Byrne	4	4		
Paula Elizabeth Nutting	4	4		
Alexis Nicholas Watt	4	4		
James Joachim Flaxman	4	3		
Vince Joseph Cosentini	4	3	4	2
Madeleine Eve Rose	2	2		
Pamela Maria Claxton	2	2		

Directors' Benefits

Disclosure relating to directors' emoluments has been included in Note 6 of the financial report.

During the financial year the Association paid premiums of \$3,940 (2015: \$5,940) 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

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 45 of the financial report.

This report is made in accordance with a resolution of the directors, pursuant to section 298(2) of the Corporations Act 2001 on behalf of the directors.



Paul Thomas McCann



Robert James Rogerson

Dated this 31st of August 2016

Management Profiles



Sue Gillespie

Executive Assistant

Qualifications: BHS(Massage & NMT) - NZ, Cert Governance

Experience:

2012-current: AAMT Executive Assistant

2004-2007: Director, Massage Therapy WTA Tour

2007-2011: RTO Owner/Director (NZ College of Massage)

1999-2007: Massage Therapist WTA Tour

1994-2011: Massage Therapy Teacher & Clinical Supervisor

1985-2013: Massage Therapist. Massage Specialisation - Sports Massage Therapy

Key Responsibilities:

Administrative assistance to CEO

Administrative management for Board of Directors

Administrative assistance for National Committees

Editor Student Journal

Ethical practice enquiries - point of contact & co-ordinator

Endorsed Education Activities Provider Program - co-ordinator

Education Committee Member

Management Profiles



Ann Davey

Association Manager

Qualifications: Bcom (HRMgt, AdminMgt), Dip Qual Audit, Cert Governance, MAHRI

Experience:

2009-current: AAMT Association Manager

2007-2009: Child Care Assistant

2003-2006: Owner/Director Xeikon Australia & New Zealand Pty Ltd

1983-2001: Senior Administrator Department within Faculty of Medicine, Dentistry & Health Sciences, University of Melbourne

Key Responsibilities:

Second in charge to CEO

Management of Operations

Management of Human Resources



Roy John

Financial Controller
& Company Secretary

Qualifications: CPA, GIA (Cert)

Experience:

2015-current : AAMT Financial
Controller & Company Secretary

2014-2015: AAMT Finance
Manager & Company Secretary

2009-2014: AAMT Finance
Manager

2007-2009: AAMT Accountant

2005-2007: Accountant IBIS
Telecommunications Pty Ltd

Key Responsibilities:

Management and administration
of all financial matters

Management of quarterly
reporting to the CEO & Audit
and Risk Committee

Management of interim and
final audit process

Produce timely annual statutory
financial statements for audit
and filing with ASIC

Manage Information &
Communications Technology

Manage PCI DSS Compliance
and Annual Penetration Testing

Audit and Risk Committee
Member

Statement of Comprehensive Income

For the year ended 30 June 2016

		2016 (\$)	2015 (\$)
Revenues from ordinary activities	3	2,388,437	2,259,461
Employee Benefits Expense		(786,336)	(680,442)
Depreciation and Amortisation Expense	4	(16,950)	(15,663)
Administration Expenses		(323,429)	(323,696)
Accommodation Expenses		(120,321)	(112,782)
Employment Expenses		(438,229)	(316,644)
Journal Expenses		(186,393)	(174,280)
Membership Expenses		(272,947)	(241,197)
CPE Direct Expenses		(116,740)	(123,506)
National Board Expenses		(123,281)	(36,869)
Total Expenses from Ordinary Activities		(2,384,626)	(2,025,079)
Profit from ordinary activities before Income Tax Expense		3,811	234,382
Income Tax Expense relating to Ordinary Activities	5	(8,872)	(6,238)
Profit from ordinary activities after related income tax expense		(5,061)	228,144
Other Comprehensive Income		-	-
Total Comprehensive Income		(5,061)	228,144

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2016

		2016 (\$)	2015 (\$)
CURRENT ASSETS			
Cash and Cash Equivalents	8	340,208	425,593
Financial Assets	9	2,150,000	2,100,000
Trade and Other Receivables	10	44,807	41,761
Total current assets		2,535,015	2,567,354
NON-CURRENT ASSETS			
Trade and Other Receivables	10	9,251	9,251
Property, Plant and Equipment	11	37,348	32,650
Total non-current assets		46,599	41,901
Total assets		2,581,614	2,609,255
CURRENT LIABILITIES			
Trade and Other Payables	12	884,044	933,233
Short-Term Provisions	13	72,499	61,471
Long-Term Provisions	14	47,593	32,012
Total non-current liabilities		47,593	32,012
Total liabilities		1,004,136	1,026,716
Net assets		1,577,478	1,582,539
EQUITY			
Reserves	15	131,596	131,596
Retained Surplus/(Deficit)	16	1,445,882	1,450,943
Total equity		1,577,478	1,582,539

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2016

	Retained Earnings (\$)	General Reserves (\$)	Total (\$)
Balance 1 July 2014	1,222,799	131,596	1,354,395
Profit from Previous year	228,144	-	228,144
Other Comprehensive Income	-	-	-
Balance 30 June 2015	1,450,943	131,596	1,582,539
Profit for the Year	-5,061	-	-5,061
Other Comprehensive Income	-	-	-
Balance 30 June 2016	1,445,883	131,596	1,577,478

The accompanying notes form part of these financial statements.

Statement of Cash Flow

For the year ended 30 June 2016

	2016 (\$)	2015 (\$)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Operations	2,386,505	2,367,474
Payments to Suppliers and Employees	(2,328,229)	(1,996,718)
Interest Received	(63,141)	(64,647)
Income Tax	(8,872)	(6,238)
Net Cash Provided by (used in) Operating Activities	(13,737)	299,871
	Note 23b	
CASH FLOWS FROM INVESTING ACTIVITIES		
Held to Maturity Financial Assets greater than 1 year	-	600,000
Held to Maturity Financial Assets less than 1 year	(50,000)	(2,100,000)
Purchase of Property, Plant and Equipment	(21,648)	(10,945)
Proceeds from sale of property, plant and equipment	-	-
Net Cash Provided by (used in) Investing Activities	(71,648)	(1,510,945)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash and Cash Equivalents at the Beginning of the Financial Year	425,593	1,636,667
Cash and Cash Equivalents at the End of the Financial Year	340,208	425,593
	Note 23a	

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2016

Note 1

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

NEW, REVISED OR AMENDING ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

- AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities
- AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets
- AASB 2014-1 Amendments to Australian Accounting Standards (Parts A and C)

BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and Interpretations issued by the Australian Accounting Standards Board ('AASB'), and associated regulations and the Corporations Act 2001, as appropriate for not-for-profit oriented entities.

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

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

Interest

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.

Income Tax

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

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

Trade and other receivables

Other receivables are recognised at amortised cost, less any provision for impairment.

Property, Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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:

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

Notes to the Financial Statements (cont.)

For the year ended 30 June 2016

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset.

Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company during the reporting period that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Employee benefits

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.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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 are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 2

CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of inflation factors, discount rates, and probability factors have been taken into account.

Notes to the Financial Statements (cont.)

Note 3 - Revenue from Ordinary Activities

	2016(\$)	2015 (\$)
Operating activities		
- Member Advertising	14,236	14,254
- Member Subscriptions	1,727,865	1,649,659
- Sponsorship	187,188	154,030
- Journal Income	67,428	61,419
- Conference Income	194,768	168,723
- CPE Event Income	125,514	126,003
- Association Branded Goods	2,085	5,597
- Other Revenue	6,212	15,129
Total Revenue from Operating Activities	2,325,296	2,194,814
Interest Revenue from:		
- Bank Deposits	63,141	64,647
Total Interest Revenue	63,141	64,647
Total Revenue from Ordinary Activities	2,388,437	2,259,461

Note 4 - Depreciation & Amortisation Expense

	2016(\$)	2015 (\$)
Profit/(Loss) from ordinary activities before income tax has been determined after:		
a. Expenses:		
- Equipment, Furniture and Fittings	6,543	6,119
- Computer Hardware and Software	9,280	8,682
- Leasehold Improvements	1,127	862
Total Depreciation	16,950	15,663
Interest Paid	-	-

Note 5 - Income Tax Expense

	2016(\$)	2015 (\$)
The prima facie tax on profit/(loss) from ordinary activities before tax is reconciled to the income tax is as follows:		
Surplus from Operations	3,811	234,382
Less: Net Profit Derived from Member Activities	(21,324)	(216,513)
Net Profit from Non Members Activities	25,135	17,869
Net Tax Profit at End of Year	25,135	17,869
Add Employee FBT Contribution	4,440	2,925
Revised Net Profit at End of Year	29,575	20,794
Income Tax Expense Calculated at 30%	8,872	6,238

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.

Note 6 - Remuneration and Retirement Benefits

a. Directors' Remuneration

During the year remuneration paid to all Directors of the Australian Association of Massage Therapists Limited and any related parties was:

- Directors' Honoraria	14,175	11,100
	14,175	11,100

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	10	12

Notes to the Financial Statements (cont.)

The names of the Directors of the Australian Association of Massage Therapists Limited who have held office during the financial year and their respective remuneration are:

	2016(\$)	2015 (\$)
Narelle Leigh James	-	300
Garry Craig Lavis	-	150
Pamela Maria Claxton	550	725
David Graeme Sheehan	1,100	725
Paul Thomas McCann	6,000	5,250
Robert James Rogerson	1,100	725
Rebecca Susan Byrne	1,300	1,075
Vince Joseph Cosentini	550	575
Alexis Nicholas Watt	1,100	725
Paula Elizabeth Nutting	1100	425
James Joachim Flaxman	550	425
Madeleine Eve Rose	825	-
	14,175	11,100

Note 7 - Auditors' Remuneration

	2016(\$)	2015 (\$)
Remuneration of the auditor of the Association for:		
Auditing or reviewing the financial report	11,864	13,250
Other services	-	-
Other services provided by related practice of auditor	-	-
	11,864	13,250

Note 8 - Cash and Cash Equivalents

	2016(\$)	2015 (\$)
Cash on Hand	377	85
Cash at Bank	339,831	425,508
	340,208	425,593

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.

Note 9 - Financial Assets

	2016(\$)	2015 (\$)
CURRENT		
Held to maturity financial assets	2,150,000	2,100,000
	2,150,000	2,100,000

Note 10 - Trade and Other Receivables

	2016(\$)	2015 (\$)
CURRENT		
Trade Debtors	-	5,000
Provision for Doubtful Debts	-	-
Trade Debtors Net of Provision for Doubtful Debts	-	5,000
Other Debtors	-	225
Prepayments	44,807	36,536
Total Current Trade and Other Receivable	44,807	41,761
NON-CURRENT		
Other Debtors	9,251	9,251
Total Non-Current	9,251	9,251

Notes to the Financial Statements (cont.)

Note 11 - Property Plant & Equipment

	2016(\$)	2015 (\$)
Office Equipment		
At Cost	86,172	73,483
Accumulated Depreciation	65,056	58,513
	21,116	14,970
Computer Hardware and Software		
At Cost	270,736	263,028
Accumulated Depreciation	258,337	249,058
	12,399	13,970
Leased Assets		
At Cost	16,621	16,621
Accumulated Depreciation	16,621	16,621
	-	-
Leasehold Improvements		
At Cost	47,370	46,120
Accumulated Depreciation	43,537	42,410
	3,833	3,710
Total Property, Plant and Equipment	37,348	32,650

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	14,970	13,970	3,710	32,650
Additions	12,689	7,709	1,250	21,648
Disposals	-	-	-	-
Depreciation expense	(6,543)	(9,280)	(1,127)	(16,950)
Carrying amount at the end of year	21,116	12,399	3,833	37,348

Note 12 - Trade and Other Payables

	2016(\$)	2015 (\$)
CURRENT		
Trade Creditors	53,926	38,977
Sundry Creditors and Accrued Expenses	81,943	76,008
Subscriptions Received in Advance	748,175	818,248
	884,044	933,233

Note 13 - Short-Term Provisions

	2016(\$)	2015 (\$)
Employee Entitlements	72,499	61,471
Aggregate Employee Entitlements Liability- Annual Leave	72,499	61,471
Number of Employees at Year-End (FTE)	11.4	10.2

Note 14 - Long-Term Provisions

	2016(\$)	2015 (\$)
Employee Entitlements	47,593	32,012
Aggregate Employee Entitlements Liability- Annual Leave	47,593	32,012

Note 15 - Reserves

	2016(\$)	2015 (\$)
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 (cont.)

Note 16 - Accumulated Surplus/(Deficit)

	2016(\$)	2015 (\$)
Accumulated Surplus at Beginning of Financial Year	1,450,943	1,222,799
Net Profit Attributable to the Members of the Association	(5,061)	228,144
Accumulated Surplus at the End of the Financial Year	1,445,882	1,450,943

Note 17 - Members' Guarantee

The Australian Association of Massage Therapists Limited 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 2016 was 8,635 (2015: 8,235).

Note 18 - Capital and Leasing Commitments

	2016(\$)	2015 (\$)
a. Operating Lease Commitments		
Payable		
- Not later than one year	95,466	90,920
- Later than 1 year but not later than 5 years	190,932	181,840
- Later than 5 years	-	-
	286,399	272,760

The operating lease is for the rental of office premises for 3 years with annual increase of 5% for the term of the lease.

b. Capital Commitments

At 30 June 2016 and at the date of signing this financial report there are no known commitments for capital expenditure.

Note 19 - Contingent Liabilities

At 30 June 2016 there are no known contingent liabilities.

Note 20 - Segment Reporting

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

Note 21 - 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
- Sue Gillespie, Executive Assistant
- Roy John, Financial Controller

The compensation paid to the key management personnel noted above is as follows

	Short-Term Benefits	Post Employment Benefits	Total
2015 Total Compensation	410,246	41,317	451,563
2016 Total Compensation	425,743	43,018	468,761

Notes to the Financial Statements (cont.)

Note 22 - 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.

Note 23 - Cash Flow Information

	2016(\$)	2015 (\$)
a. Reconciliation of Cash		
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	340,208	425,593
b. Reconciliation of Cash Flow from Operations with Profit/(Loss) from Ordinary Activities after Income Tax		
Profit/(Loss) from Ordinary Activities after Income Tax	(5,061)	228,144
Non-Cash Flows in Profit from Ordinary Activities		
Depreciation	16,950	15,663
Decrease/(Increase) in Receivables	5,000	(3,749)
Decrease/(Increase) in Other Debtors	225	174
Decrease/(Increase) in Prepayments	(8,271)	16,545
Increase/(Decrease) in Payables	14,949	(2,123)
Increase/(Decrease) in Other Payables	5,935	7,617
Increase/(Decrease) in Subscriptions in Advance	(70,073)	47,115
Increase/(Decrease) in Employee Entitlements	26,609	(9,515)
Loss on sale of fixed assets	-	-
Net Cash Inflow from Operating Activities	(13,737)	299,870

Note 24 - 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 25 - 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	
	2016 %	2015 %	2016 \$	2015 \$	2016 \$	2015 \$
Financial Assets						
Cash and cash equivalents	1.79	2.44	340,208	425,593	-	-
Receivables	0.00	0.00	-	-	-	-
Held-to-maturity investments	2.65	2.93			2,150,000	2,100,000
Total Financial Assets			340,208	425,593	2,150,000	2,100,000
Financial Liabilities						
Trade and sundry creditors	0.0	0.0	-	-	-	-
Lease Liability	0.0	0.0	-	-	-	-
Hire Purchase Liability	0.0	0.0	-	-	-	-
Total Financial Liabilities			-	-	-	-

Notes to the Financial Statements (cont.)

	1 to 5 Years		Non-interest Bearing		Total	
	2016 \$	2015 \$	2016 \$	2015 \$	2016 \$	2015 \$
Financial Assets						
Cash and cash equivalents	-	-	-	-	340,208	425,593
Receivables	-	-	44,807	41,761	44,807	41,761
Held-to-maturity investments	-	-	-	-	2,150,000	2,100,000
Total Financial Assets			44,807	41,761	2,535,015	2,567,354
Financial Liabilities						
Trade and sundry creditors	-	-	135,869	114,985	135,869	114,985
Lease Liability	-	-	-	-	-	-
Hire Purchase Liability	-	-	-	-	-	-
Total Financial Liabilities			135,869	114,985	135,869	114,985

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 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.

	2016		2015	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
Financial Assets				
Trade and other receivables	44,807	44,807	41,761	41,761
Held-to-maturity investments	2,150,000	2,150,000	2,100,000	2,100,000
	2,194,807	2,194,807	2,141,761	2,141,761
Financial Liabilities				
Trade and other payables	135,869	135,869	114,985	114,985
	135,869	135,869	114,985	114,985

Directors' Declaration

In the directors' opinion:

1. **The financial statements and notes, as set out on pages 25 to 43 are in accordance with the Corporations Act 2001:**
 - a. Comply with Australian Accounting Standards-Reduced Disclosure Requirements, the Corporations Regulations 2001 and other mandatory professional reporting requirements
 - b. Give a true and fair view of the financial position as at 30 June 2016 and of the performance for the year ended on that date of the company.
2. **There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.**

Signed in accordance with a resolution of the directors made pursuant to section 295(5)(a) of the Corporations Act 2001.



Paul Thomas McCann



Robert James Rogerson

Dated this 31st of August 2016

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

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2016 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.



Matthew Hung, CA
rdl.accountants

28th September 2016
Blackburn, Victoria

60-64 Railway Road, Blackburn 3130
PO Box 189, Blackburn 3130
t: (03) 9878 1477 f: (03) 9894 1798
contact@rdlaccountants.com.au
rdlaccountants.com.au

ABN 84 164 947 290

Liability limited by a scheme approved under Professional Standards Legislation



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 2016, 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*.

60-64 Railway Road, Blackburn 3130
PO Box 189, Blackburn 3130
t: (03) 9878 1477 f: (03) 9894 1798
contact@rdlaccountants.com.au
rdlaccountants.com.au

ABN 84 164 947 290
Liability limited by a scheme approved under Professional Standards Legislation



