

OCCUPATIONAL THERAPY AUSTRALIA LIMITED ACN 127 396 945 (COMPANY)

ANNUAL GENERAL MEETING

Date: Friday 15 November, 2019
 Time: Commencing at 5:30pm AEDST
 Address: Waratah Room,
 The Adina Hotel Melbourne
 189 Queen Street Melbourne

1 Welcome

Dr Angela Berndt welcome attendees to the AGM noting that some members were attending via teleconference.

1.1

Acknowledgment of Country

Dr Angela Berndt acknowledged the country on which attendees met.

1.2

Quorum was achieved by 5.30pm when the meeting opened

1.3

Attendees

Name	Member	Mode
Samantha Hunter	N	In person
Rebecca Meyer	N	In person
Michael Barret	N	In person
Ralda Bourne	Y	In person
Annie McCluskey	Y	In person
Carol McKinstry	Y	In person
Felicity Beaulieu	Y	In person
Jennifer Lochard	Y	In person
Priscilla Ennals	Y	In person
Kim Walder	Y	In person
Lynette Mackenzie	Y	In person
Danni Hocking	Y	In person
Joanna Murray	Y	In person
Fiona O'Keefe	Y	In person
Vincci Lee	Y	In person
Brynn Lewin	Y	In person
Caitlin Stubenrauch	Y	In person
Linda Elliott	Y	In person
Carol Jewell	Y	In person
Michael Fanceo	Y	In person

Janice McKeever	Y	In person
Danielle Perkes	Y	Teleconference
Sue Smith	Y	Teleconference
Natasha Bhatnagar	Y	Teleconference
Justin Scanlan	Y	Teleconference
Verity Coulter	Y	Teleconference
Laura Coates	Y	Teleconference (5:30 - 6:15pm)
Anita Volkert	Y	Teleconference (5:30 - 5:59pm)

1.3.1 Apologies

Genevieve Peppin	Y	Apology
Lee Zakrzewski	Y	Apology
Lea Kewish	Y	Apology
Dominique Di Marzio	Y	Apology
Trina Phuah	Y	Apology
Amanda Timmer	Y	Apology
Rob Rickard	Y	Apology
Alex Hillman	Y	Apology
Rachel Knight	Y	Apology
Christy Doward	Y	Apology
Robyn Arvier	Y	Apology
Sarah Painter	Y	Apology
Natasha Layton	Y	Apology
Lindsay Vernon	Y	Apology

1.3.2

Proxy appointments

Julie Hughes	Y	Chairperson
Hugh Stewart	Y	Chairperson
Paul Marsh	Y	Chairperson
Kieran Broome	Y	Kim Walder
Joanne Kaye McInnes	Y	Chairperson
Iona Novak	Y	Chairperson
Mary Evatt	Y	Linda Elliott
Claire Bean	Y	Felicity Beulieu
Nikki Tulliani	Y	Linda Elliott
Roxanne Gelle	Y	Chairperson
Amanda Timmer	Y	Chairperson
Peter Bothams	Y	Chairperson
Stephen Isbel	Y	Chairperson
Anita Volkert	Y	Chairperson
Angus Buchanan	Y	Chairperson
Asimina Peristeri	Y	Chairperson
Lynne Adamson	Y	Chairperson

Dr Bess Fowler Y Chairperson
Dr Samantha Ashby Y Chairperson

2

Minutes

Dr Berndt reported that in line with legal advice and discussion at previous AGM, Occupational Therapy Australia is not required to confirm Minutes at the AGM meeting. In line with the outlined process, the Minutes were placed on the website for three weeks and following this were presented to the Board to confirm. This process will be followed again this year.

3

President's Report

Was noted by members

Highlights:

An investment has been made in the Human Resources of OTA which has facilitated:

- Growing scope of CPD in terms of offering and quality
- The increased scope and reach of OTA's advocacy and lobbying activity
- A growth in membership
- The delivery of the new website
- Continuous quality improvements in corporate governance and compliance

OTA received its largest Philanthropic donation which will support clinical research.

4

CEO's Report

Was noted by members

Highlights

The CEO reported that the organisation has re-imagined what serving our members looks like and how OTA can build a truly national team that supports and serves each and every member—regardless of location, age or career stage. This has contributed to a 11.5% increase in membership including a 15% increase in the full-time category.

OTA was involved in making 26 submissions advocating for change and improvement for your clients and profession.

Occupational Therapy Australia and the Occupational Therapy Australia Research Foundation shared in the largest single donation that either organisation has received. Thanks to the leadership of Trustees Ralda Bourne and Lynne Adamson, the Occupational Therapy School of Victoria Trust gifted \$500,000 to support research across both organisations.

The CEO thanked the members, board and staff for their contribution to the organisation.

5

Financial Report

Was noted by Members

Highlights

Following another successful year, OTA's overall financial result for the period of \$600,968 represents an operating profit of \$241,018 along with recognition of the \$359,950 donation received from the Occupational Therapy School of Victoria.

OTA works to deliver value to members and the continued increase in membership numbers over the years is testament to these efforts.

Key ratios are in line with the metrics set by the board to monitor financial performance and demonstrate OTA's sound financial health,

The VP Finance thanked FRAC and finance officers

6

CFO Report

Revenue, excluding conference income and donations, increased by 11% year on year, driven by significant growth across membership and CPD revenue, and higher interest income due to large cash reserves and active treasury management.

The results include the Occupational Therapy School of Victoria donation income of \$359,950 received by Occupational Therapy Australia. The Occupational Therapy School of Victoria reserve is represented in equity and records the funds donated for the establishment and operation of the Occupational Therapy School of Victoria Clinical Award. While accounting standards require immediate recognition of the donation income, separating the reserve from accumulated surplus will ensure transparency for members to identify Clinical Award expenses each year via movements in the reserve

7

Questions Pertaining to the President, CEO, Vice President Finance and CFO Reports and the Annual Report

It appears revenue has now grown in the past 12 months. Why is this the case? Has membership dropped?

The reporting period was a non-conference year. The bi-annual timing of conferences results in a traditionally bumpy revenue stream for Occupational Therapy Australia. Membership revenue has increased from 2017 \$2.4 million to 2018 \$2.7 million

AMPs training is not evident in the financial statements?

AMPs income has been re-aligned into the CPD revenue line. This is appropriate as it is a CPD Product.

What does other "income and commissions" refer to?

Other income of \$420K mainly consists of Donations of \$360K and grants. Commissions relate to OTA's partnership with AON insurance.

What are royalties, where do they come from?

Royalties relate to our partnership with Wiley, publishers of the Australian Occupational Therapy Journal.

The Elspeth Pearson Award is for \$15,000. Why is expenditure at \$12,191

The Award is paid out in the amounts that are requested in the application process. This was the total amount requested in the reporting period.

Why has there been a drop in grant expenses in 2018?

The major grant project for this reporting period was finalised hence less expenditure as the project wound up.

Is there a way to reduce merchant fees?

No. This is a contemporary cost of doing business and OTA members have an expectation of being able to make payments online. Online banking significantly reduces the processing time that previous paper based methods entailed ultimately saving staff time. We actively monitor competitiveness of all of our service providers to ensure we are achieving best value.

Why have organisational dues risen by 1/3 since 2018?

WFOT membership of \$40K was not accrued in 2017 so the expense was incurred in 2018. The CEO and CFO could not speak to why this did not occur as it pre-dates their appointments.

Why have journal expenses risen by 25%?

A combination of an increase in member numbers (pay per user) and increased publishing fees.

Why has Work Cover expenses risen by 66% in one year?

Workers Comp was under-accrued in 2017, leading to a higher expense in 2018. This error also pre-dates the appointment of the CEO and CFO and thus cannot be explained. No Work Cover claims have been made in the period. The CEO advised that OTA has an EAP in place and actively model appropriate work/life balance and wellness at work. We have a performance rating of 3.3% better than industry average.

There is \$3,033 in fringe benefits tax. This was zero in 2018. What is it for?

The payment represents the ATO Fringe Benefits Tax instalment as part of the Q4 BAS return. This will net off against and be recouped in March 2020. Members can expect that this will be a consistent budget line as it pertains to salary sacrifice. In order to attract and retain the best staff we must allow them access to the benefits to which they are entitled.

What are Sundry Payables and Accrued Expenses?

This relates to 2018/19 invoices paid in 2019/20 due to timing differences. Payments made after the close of the financial year for services received in the reporting period. These expenses include CPD Presenter Fees, WFOT Membership, Journal Fees and payroll accruals and depend on the level of activity at the end of the financial year. Members can expect a higher accrued expenses line next year due to the timing of OT Exchange.

There were a number of questions regarding time in lieu.

OTA has a TIL policy in place. Over the past 12 months this has been actively managed down and the policy fully implemented and monitored. All staff have access to TIL upon a stringent sign off process. TIL, if approved, must be taken within an 8 week period. At the time of the AGM, the CEO reported a nil balance on the TIL ledger. Financial year end will almost always have some TIL accrual given the timing of our annual events calendar with the lead up to conference being a busy time for all staff members. The CEO assured members that the wellbeing of the staff is of the utmost importance for their own personal health and to ensure productivity for the organisation.

Can you explain the recruitment line item of \$31K?

This represents a combination of advertising and agency fees associated with the senior recruitment of the CEO and CFO as well as the recruitment of other key staff including Divisional Managers, Policy Officer, Junior Accountant and Member Services staff.

How many full time equivalent positions do we now have to account for the wages line item?

21 FTE as at 30 June 19. The average remuneration is \$88K
We have had some staff movement due to a number of factors. The reform of the CPD portfolio commenced in 2017/18 financial year so there was movement across this portfolio right across our locations. The Board decision to move from a Finance Manager & Book Keeper to a CFO and qualified accountant and the implementation of the Deputy CEO role, a restructure of the Membership and

Marketing Portfolio led to one redundancy and the organisation has re-structured the way in which our member services are delivered. We have reduced by natural attrition administrative hours and increased professional hours within the work force. Hence the budget has remained fairly consistent however our workforce has professionalised and streamlined.

Total current other liabilities - Other Liabilities have grown by 25%. Why?

Growth in liabilities is due to the deferred conference revenue with \$1.1 million on National Conference income received in advance of the conference which was held in 19/20 financial year.

What is the current value of the Rae Street asset?

Cash proceeds from the sale of Rae Street amounted to **\$910,297 at 30 June 2019**

Are the board considering the impact of the AHPRA's reduction in required CPD hours from 30 to 20 for Occupational Therapists?

The board have discussed this. Financial modelling is being undertaken, however while AHPRA's recommended hours have reduced a number of our members exceed the minimum requirements for CPD and OTA expects that will continue.

In regards to income diversification what strategies are the board considering as CPD and membership are the main income earners?

The Board continues to explore diversification. This was a key factor in the investment in and recruitment to the CEO and CFO roles.

Does the journal moving to online provide cost savings?

This question was taken on notice

Can the Board provide further information on the liabilities, sundries and accrued lines?

This majority of the budget against these lines is related to deferred income. The timing of our major events and the majority of OTA membership renewing around the beginning and ending of a financial year will see this line continue to be significant due to the accounting requirements.

OTA will work toward increased transparency around these lines.

Has the board considered seeking a one of donation from members to put towards projects? If each member donated a small amount a significant contribution could be made? The member has held small fundraising events and provided a cash donation of \$450 from one event held in October 2019.

The board thanked Ralda Bourne for her efforts and donation and will consider options in relation to donations/ levies.

Following up on a question from last year what work has happened in regard to collating the various Sylvia Docker Lectures?

The Board committed to tracking down the digital collection available.

What work is underway re harmonising the fees for the organisation (ie removing the part time fee)?

The board committed to ongoing discussion about this issue.

8

Ratification of appointment of Auditor – HLB Mann Judd

Motion: That HLB Mann Judd are ratified as the Auditors of Occupational Therapy Australia.

Passed Unanimously

9

Acknowledgement of Dr Angela Berndt,

Michelle Bissett acknowledged the outgoing President, as she did not stand for re-election to the board. Attendees noted her significant contribution to the organisation over many years as both a board member, a Divisional Council member and a general member.

9

Announcement of Board for 2018 / 2019

Joanna Murray has joined the board.

The following people remain on the board.

- Michelle Bissett
- Priscilla Ennals
- Danette Hocking
- Lynette Mackenzie
- Paul Marsh
- Annie McCluskey
- Carol McKinstry

9

Close of Meeting

The meeting closed at 6.33pm