

OCCUPATIONAL THERAPY AUSTRALIA LTD

ABN: 27 025 075 008

**Financial Report For The Year Ended
31 December 2012**

Occupational Therapy Australia Ltd

ABN: 27 025 075 008

Financial Report For The Year Ended 31 December 2012

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OCCUPATIONAL THERAPY AUSTRALIA LTD
ABN: 27 025 075 008
DIRECTORS' REPORT

Your directors present this report on the company for the financial year ended 31 December 2012.

Directors

The names of each person who has been a director during the year and to the date of this report are:

Nicole O'Reilly	President
Thelma Burnett resigned (23/06/2012)	
Jan Erven	
Domenico Tripodi resigned (23/06/2012)	
Imelda Todd	
Jenny Ziviani	
Peter Bothams	Vice President
Therese Fitzpatrick	
Chris Kennedy appointed (23/06/2012)	
Nicola Tuckwell appointed (23/06/2012)	
Lee Zakrzewski appointed (23/06/2012)	
Robyne Cottee appointed (23/06/2012)	

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal Activities

The principal activity of the company during the financial year was:

To represent the interests of its members and Occupational Therapists across the country. Ensuring that members consistently receive quality, responsive services that add significant value to their careers and support them to provide high quality services and care. The Association also aims to support, promote and represent the profession of occupational therapy as a key element of the allied health sector in Australia.

The company's objectives address the issues and seek to achieve results in the following areas

1. Professional Development
2. Information Communications and relationships
3. Representation
4. Practice Standards
5. Marketing, recruitment, brand and profile
6. Research
7. International presence
8. Governance
9. Amalgamation of a Single National Entity. To facilitate the transfer of activities, operations and assets from the Australian Association of Occupational Therapists and other State & Territory based Occupational Therapy Associations to Occupational Therapy Australia Ltd. OT Australia members voted in favour of a move to a single national entity at the Special General Meetings held on 28 November 2009.

OCCUPATIONAL THERAPY AUSTRALIA LTD
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DIRECTORS' REPORT

Information on Directors

Nicole O'Reilly

Qualifications

- Director & President
- B App SC, Occupational Therapy, University of South Australia, Certificate IV Frontline Management, Chamber of Commerce.

Experience

- Registered Occupational Therapist with experience in aged and disability services, primary health care, management, committee and Board membership. Currently A/ Director Community Health, Northern Territory Department of Health.

Special Responsibilities

- Member of the Executive Committee, Occupational Therapy Australia representative to Allied Health Professions Australia Rural and Remote Committee.

Thelma Burnett

Qualifications

- World Federation of Occupational Therapists Delegate; and Director (resigned on 23 June 2012).
- AssocOT(WAIT); BAppSc(OT) (Curtin); MSc(AppSc) (Curtin); FACHSM

Experience

- Occupational Therapist registered with the Occupational Therapists Registration Board of WA since 1970; transferred to national registration in 2012. Clinical occupational therapy experience in physical rehabilitation, mental health, community practice, paediatrics and private practice. Experienced project manager, health workforce planner and clinical service planner with key responsibilities in WA Health.

Special Responsibilities

- Australian Delegate to the World Federation of Occupational Therapists; and Second Alternate Delegate to WFOT.
Vice President of Asia Pacific Occupational Therapy Regional Group.

Jan Erven

Qualifications

- Finance Director commencing from the 17 October 2011
- Diploma in Occupational Therapy (Cumberland); Graduate Certificate in Public Sector Management.

Experience

- 12 years experience as Occupational Therapy Manager; 10 years experience as Allied Health Manager; 4 years experience as Aged Care Manager. Clinical experience in Rehabilitation and Aged Care in public sector.

Special Responsibilities

- OT Australia Board Member; Member of the Finance and Audit Committee; Member of Professional Development Reference Group; Represent OT Australia on the Occupational Therapy Council, the National Allied Health Classification Committee and the National Aged Care Alliance.

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DIRECTORS' REPORT

Domenico Tripodi	—	Director (resigned 23/6/2012)
Qualifications	—	Graduated with an Occupational Therapy degree at Charles Sturt University in 2000; Completed honours in Applied Science at University of Canberra 2006; Completed Driver Assessment course at University of Sydney in 2010.
Experience	—	Currently acting Head of Department at the Canberra Hospital, Acute Support Services. Previously employed in rural NSW as a sole therapist. Also experience in Occupational Rehabilitation in Workers Compensation and Compulsory Third Party Insurance.
Special Responsibilities	—	Occupational Therapy Australia Board Member since 2010; State Councillor for the ACT on the board of the Australian Association of Occupational Therapists from 2008; former Chair of the National Professional Representation and Lobbying Group.
Imelda Todd	—	Director
Qualifications	—	BAppScOT (Usyd) Grad Cert HRM, Cert Erg AccOT, MHM (Master of Health Management) UNSW 2012
Experience	—	Clinical OT, OHS, Occupational Rehabilitation, Management and Workers Compensation.
Special Responsibilities	—	Member of the Finance and Audit Committee.
Jenny Ziviani	—	Director
Qualifications	—	BAppSc(OT); BA; MEd; PhD
Experience	—	Children with developmental disabilities, their families and communities. Research methodologies to support a range of clinical investigations. Managing research programs and advising research higher degree students.
Special Responsibilities	—	Co-opted to the board from the Research Working Party to provide advice on matters related to research and the establishment of a Research Foundation.
Peter Bothams	—	Director & Vice President
Qualifications	—	Bachelor of Occupational Therapy 2000, Graduate Certificate Health Management (Qld Health) 2007.
Experience	—	11 years working as an occupational therapist in a variety of roles in government and the private sector. Previous experience as a Board Member and Treasurer for services for Australian Rural and Remote Allied Health. Previous Board member of OT Australia Queensland.
Special Responsibilities	—	Vice President. Chairman – OTAL Research Foundation Nomination.

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DIRECTORS' REPORT

Therese Fitzpatrick	—	Director
Qualifications	—	BaOT (Hons)
Experience	—	Neurological Rehabilitation, Vocational Rehabilitation, National Manager - Workplace Mental Health. Worked in hospital and community settings primarily in neurological rehabilitation, but has also worked in orthopaedics and rheumatology. Moved into vocational rehabilitation, working as a Senior Rehabilitation Consultant. Now works at beyond blue. Currently completing a Masters in Public Health through Melbourne University.
Chris Kennedy	—	Director
Qualifications	—	Bachelor of Occupational Therapy, Graduate Diploma Occupational Health & Safety, Graduate Certificate Business.
Experience	—	Occupational Rehabilitation Case Management, Workplace Health & Safety, Human Resource Management, Organisational Governance.
Special Responsibilities	—	Member of Finance and Audit Committee Occupational Therapy Australia
Nicola Tuckwell	—	Director
Qualifications	—	BAppSc(OT), PGradDipHlthSc(Rehab), Msc(OT), All Curtin University
Experience	—	20 years experience in occupational rehabilitation/disability employment; the past 12 years in managerial positions. Currently manager of JobAccess, a Federal Government initiative assisting with the removal of workplace barriers for people with disability.
Special Responsibilities	—	Also on the Divisional Council of W.A.
Lee Zakrzewski	—	Director
Qualifications	—	BAppSc(OT), MHIthScEd, HScD
Experience	—	Registered occupational therapist and senior lecturer in occupational therapy specialising in fieldwork / professional practice education. Clinical experience includes mental health, aged care, acute care, occupational rehabilitation and management.
Special Responsibilities	—	Australian delegate to the World Federation of Occupational Therapists.
Robyne Cottee	—	Director
Qualifications	—	BAppSc(OT): Master of Business Administration, Diploma in Law, Graduate Diploma Legal Practice.
Experience	—	Occupational Rehabilitation: CTP Rehabilitation; Disability: OH&S; Management: Legal Practice.

OCCUPATIONAL THERAPY AUSTRALIA LTD
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DIRECTORS' REPORT

Meetings of Directors

During the financial year, 8 meetings of directors were held. Attendances by each director were as follows:

	Directors' Meetings	
	No. eligible to attend	No. attended
Nicole O'Reilly	8	8
Thelma Burnett	4	4
Jan Erven	8	7
Domenico Tripodi	4	4
Imelda Todd	8	7
Jenny Ziviani	8	5
Peter Bothams	8	6
Therese Fitzpatrick	8	7
Chris Kennedy	4	4
Nicola Tuckwell	4	4
Lee Zakrzewski	4	4
Robyne Cottee	4	4

Member's guarantee


The company is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 for payment of debts and liabilities of the Company, including the costs of winding up. This undertaking continues for one year after a person ceases to be a member.

Auditor's Independence Declaration



The lead auditor's independence declaration for the year ended 31 December 2012 has been received and can be found on page 6 of the financial report.

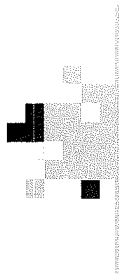
This directors' report is signed in accordance with a resolution of the Board of Directors.

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

Director 

Nicole O'Reilly

Dated this  day of  2013

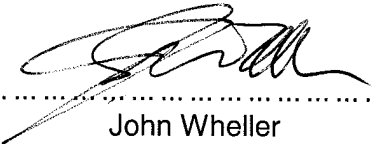


JOHN WHELLER, F.C.A.
CHARTERED ACCOUNTANT

OCCUPATIONAL THERAPY AUSTRALIA LTD
ABN: 27 025 075 008
AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF OCCUPATIONAL THERAPY AUSTRALIA LTD

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2012 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.

Auditor 
John Wheller

Dated this 22 day of April 2013

Registered Company Auditor No.9003
PO Box 933, Carnegie Vic 3163
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Email: twb@twb.com.au Web: www.twb.com.au

OCCUPATIONAL THERAPY AUSTRALIA LTD
ABN: 27 025 075 008
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012 \$	2011 \$
Revenue	2	3,224,586	3,359,405
Expenses			
Employee benefits expense		(1,622,781)	(1,577,861)
Depreciation expense		(70,229)	(37,981)
Interest expense	3	(27,114)	(19,396)
Rental expense	3	(61,055)	(31,638)
Staff training and development expenses		(8,149)	(15,927)
Consultancy fees		(174,634)	(123,727)
Journals & Organisation Dues		(232,290)	(246,879)
Marketing expenses		(28,172)	(44,112)
Conference costs		(295,174)	(507,024)
Continual professional development costs		(279,257)	(317,074)
Course accreditation		(25,509)	(19,290)
Executive and Staff Travel		(153,829)	(117,916)
Office administration costs		(323,380)	(284,648)
Better Access Project Costs		-	(45,043)
Impairment of investments		-	(8,656)
Sundry expenses		(115,236)	(100,216)
Net current year surplus / (deficit)		(192,223)	(137,981)
Other comprehensive income for the year			
Contribution to the Occupational Therapy Australia Research Foundation	19	(210,136)	-
Equity Transfers from liquidated affiliated entities		96,696	1,712,865
Net gain on revaluation of property, plant and equipment	8	-	247,405
Other comprehensive income / (deficit) for the year		(113,440)	1,960,270
Total comprehensive income / (deficit) for the year		(305,663)	1,822,289

The accompanying notes form part of these financial statements.

OCCUPATIONAL THERAPY AUSTRALIA LTD
ABN: 27 025 075 008
STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2012

	Note	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	1,367,605	2,026,316
Sundry and other receivables	5	190,857	53,272
Other current assets	6	46,366	20,853
TOTAL CURRENT ASSETS		<u>1,604,828</u>	<u>2,100,441</u>
NON-CURRENT ASSETS			
Financial assets	7	-	132,421
Property, plant and equipment	8	2,408,942	2,465,949
TOTAL NON-CURRENT ASSETS		<u>2,408,942</u>	<u>2,598,370</u>
TOTAL ASSETS		<u>4,013,770</u>	<u>4,698,811</u>
LIABILITIES			
CURRENT LIABILITIES			
Sundry and other payables	9	1,143,546	1,138,746
Provision for employee benefits	11	94,918	124,711
TOTAL CURRENT LIABILITIES		<u>1,238,463</u>	<u>1,263,457</u>
NON-CURRENT LIABILITIES			
Borrowings	10	-	354,193
Provision for employee benefits	11	22,983	23,175
TOTAL NON-CURRENT LIABILITIES		<u>22,983</u>	<u>377,368</u>
TOTAL LIABILITIES		<u>1,261,446</u>	<u>1,640,825</u>
NET ASSETS		<u>2,752,323</u>	<u>3,057,986</u>
MEMBERS' FUNDS			
Accumulated surplus / (deficit)		(728,285)	(325,926)
Reserves		247,405	247,405
Equity transfers from liquidated affiliated entities		3,233,203	3,136,507
TOTAL MEMBERS' FUNDS		<u>2,752,323</u>	<u>3,057,986</u>

The accompanying notes form part of these financial statements.

OCCUPATIONAL THERAPY AUSTRALIA LTD
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STATEMENT OF CHANGES IN MEMBERS' FUNDS FOR THE YEAR ENDED 31 DECEMBER 2012

	Accumulated Surplus / (Deficit)	Equity Transfers from liquidated entities	Asset Revaluation Reserve	Total
	\$	\$	\$	\$
Balance at 1 January 2011	(187,945)	1,423,642	-	1,235,697
Total Comprehensive Income for the year	(137,981)	1,712,865	247,405	1,822,289
Balance at 31 December 2011	(325,926)	3,136,507	247,405	3,057,986
Net deficit	(192,223)	-	-	(192,223)
Equity transfers from liquidated entities	-	96,696	-	96,696
Contribution to Occupational Therapy Australia Research Foundation	(210,136)	-	-	(210,136)
Balance at 31 December 2012	(728,285)	3,233,203	247,405	2,752,323

For a description of each reserve, refer to note 18 and details of equity transfers from liquidated entities note 20.

The accompanying notes form part of these financial statements.

OCCUPATIONAL THERAPY AUSTRALIA LTD
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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2012

	Note	2012	2011
		\$	\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from operations		3,000,726	3,662,829
Payments to suppliers and employees		(3,354,312)	(2,763,598)
Interest received		80,873	57,763
Interest paid		(27,114)	(19,396)
Net cash generated from operating activities	16	<u>(299,827)</u>	<u>937,598</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from equity transfers from liquidated affiliated		96,696	873,032
Proceeds from loan repayments		-	52,364
Proceeds from sale of Investments		132,419	15,213
Contribution to the Occupational Therapy Australia Research Foundation	19	(210,136)	-
Payment for property, plant and equipment		(13,220)	(25,496)
Payment of security bond		(10,450)	-
Net cash used in investing activities		<u>(4,691)</u>	<u>915,113</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings		(354,193)	(1,325)
Net cash used in financing activities		<u>(354,193)</u>	<u>(1,325)</u>
Net increase/(decrease) in cash held		(658,711)	1,851,386
Cash and cash equivalents at the beginning of the financial year		2,026,316	174,930
Cash and cash equivalents at the end of the financial year	4	<u><u>1,367,605</u></u>	<u><u>2,026,316</u></u>

The accompanying notes form part of these financial statements.

OCCUPATIONAL THERAPY AUSTRALIA LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

The financial statements cover Occupational Therapy Australia Ltd as an individual entity, incorporated and domiciled in Australia. Occupational Therapy Australia Ltd is a company limited by guarantee. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Note 1 Summary of Significant Accounting Policies

Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial report has been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the *Corporations Act 2001* and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with those of the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

Accounting Policies

(a) Revenue

Member fees and subscriptions - The subscription year runs 1 January to 31 December. Subscriptions are payable annually in advance. Only those membership fees and subscription payments that are attributable to the current financial year are recognised as revenue. Fees and subscription payments that related to future periods are shown in the Statement of Financial Position as subscriptions and fees in advance under current liabilities.

Grants - Revenue is recognised when control of the contribution or right to receive the contribution is received.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

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

Revenue is recognised when the income is earned.

All revenue is stated net of the amount of goods and services tax (GST).

OCCUPATIONAL THERAPY AUSTRALIA LTD

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

(b) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated, less, where applicable, accumulated depreciation and impairment losses.

Freehold Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

In periods when the freehold land and buildings are not subject to an independent valuation, the directors conduct directors' valuations to ensure the carrying amount for the land and buildings is not materially different to the fair value.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in the statement of comprehensive income.

As the revalued buildings are depreciated, the difference between depreciation recognised in the statement of comprehensive income, which is based on the revalued carrying amount of the asset, and the depreciation based on the asset's original cost, is transferred from the revaluation surplus to retained earnings.

Any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Freehold land and buildings that have been contributed at no cost or for nominal cost are initially recognised and measured at the fair value of the asset at the date it is acquired.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

Plant and equipment that have been contributed at no cost, or for nominal cost are recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the entity commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2.50%
Computer equipment	40%
Office equipment	8% to 20%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(c) Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

OCCUPATIONAL THERAPY AUSTRALIA LTD

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

(d) Financial Instruments

Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transactions costs except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale financial assets

Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

(e) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less.

OCCUPATIONAL THERAPY AUSTRALIA LTD

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

(g) Accounts receivable and other debtors

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from customers for goods sold in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Accounts receivable are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

(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 Taxation Office (ATO).

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 ATO is included with other receivables or 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 ATO are presented as operating cash flows included in receipts from customers or payments to suppliers. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(i) Income Tax

No provision for income tax has been raised as the entity is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

(j) Intangibles

Software

Software is initially recognised at cost. Software has a finite life and is carried at cost less any accumulated amortisation and impairment losses.

(k) Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of reporting period.

(l) Accounts Payable and Other Payables

Accounts payable 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.

(m) Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(n) New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The Company has decided not to early adopt any of the new and amended pronouncements. The Company's assessment of the new and amended pronouncements that are relevant to the Company but applicable in future reporting periods is set out below:

- AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] (applicable for annual reporting periods commencing on or after 1 July 2013).

AASB 1053 establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and
- Tier 2: Australian Accounting Standards – Reduced Disclosure Requirements.

Tier 2 of the framework comprises the recognition, measurement and presentation requirements of Tier 1, but contains significantly fewer disclosure requirements.

Since the Company is a not-for-profit private sector entity, it qualifies for the reduced disclosure requirements for Tier 2 entities. It is anticipated that the Company will take advantage of Tier 2 reporting at a later date.

OCCUPATIONAL THERAPY AUSTRALIA LTD
ABN: 27 025 075 008
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

(o) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(p) Change in accounting policy

The NSW, Tasmania and South Australia Associations operate on a June membership year and membership revenue was measured based on the revenue earned for the financial year ending 30 June. The membership revenue accounting policy has been realigned to measure the membership revenue based on a December calendar year in line with the Occupational Therapy Australia Ltd reporting period. The change in policy has resulted in an increase of revenue by \$42,204 for the current financial year ending 31 December 2012 and income in advance increasing by \$324,370. The comparative figures have been restated, the current liabilities have increased by \$366,574 and the surplus has decreased by \$366,574 for the year ending 31 December 2011.

(q) Going Concern

The company has incurred deficits during the last two financial years, notwithstanding these deficits, the Directors believe that the company will be successful in its future operations and has accordingly prepared the financial report on the going concern basis. The Directors are of the opinion that no asset is likely to be realised for an amount less than that recorded in the financial report at 31 December 2012 and as such no adjustment have been made to the financial report relating to the recoverability of assets and classification of the assets and liabilities that might be necessary should the company not continue as a going concern. Based on the above the financial report has been prepared on a going concern basis which assume the continuity of normal business activities and realisation of assets to settle liabilities as and when they fall due.

Note 2 Revenue and Other Income

	2012	2011
	\$	\$
Revenue		
— Commonwealth government grants - operating	-	50,882
— Central Service Fees	-	95,837
— Accreditation Fees	-	28,402
— Advertising	226,815	251,445
— Publication Sales	9,891	17,627
— Continual Professional Development	500,107	535,567
— Commissions	41,233	61,468
— Course Accreditation	69,450	63,150
— Membership Fees	1,837,532	1,386,659
— Conference Income	384,925	752,982
— Other	64,695	57,622
	<u>3,134,648</u>	<u>3,301,642</u>
Other revenue		
— interest received on investments in government and fixed interest securities		
	84,537	57,763
	<u>84,537</u>	<u>57,763</u>
Total revenue	<u>3,219,185</u>	<u>3,359,405</u>
Other income		
— Gain on disposal of investments	5,401	-
Total other income	<u>5,401</u>	<u>-</u>
Total revenue and other income	<u>3,224,586</u>	<u>3,359,405</u>

Note 3 Profit for the Year

	2012	2011
	\$	\$
(a) Expenses		
Employee benefits expense		
— contributions to defined contribution superannuation funds		
	130,838	125,367
Depreciation and amortisation:		
— land and buildings	43,267	13,233
— furniture and equipment	26,962	24,748
Total depreciation and amortisation	<u>70,229</u>	<u>37,981</u>

OCCUPATIONAL THERAPY AUSTRALIA LTD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Interest expense on financial liabilities not at fair value through profit or loss

	27,114	19,396
--	--------	--------

Rental expense on operating leases

— minimum lease payments

	61,055	31,638
--	--------	--------

Total Rental Expense

	61,055	31,638
--	--------	--------

	2012	2011
--	------	------

	\$	\$
--	----	----

Auditor fees

— audit services

	13,600	11,500
--	--------	--------

— other services

	3,200	3,000
--	-------	-------

Total Audit Remuneration

	16,800	14,500
--	--------	--------

Note 4 Cash and Cash Equivalents

	2012	2011
	\$	\$

CURRENT

Cash at bank - unrestricted

	1,366,724	2,025,627
--	-----------	-----------

Cash float

	880	689
--	-----	-----

Total cash and cash equivalents as stated in the statement of financial position

	1,367,605	2,026,316
--	-----------	-----------

Total cash and cash equivalents as stated in the cash flow statement

	1,367,605	2,026,316
--	-----------	-----------

Note 5 Sundry and Other Receivables

Note

	2012	2011
	\$	\$

CURRENT

Sundry receivables

	190,857	51,148
--	---------	--------

Loans

	-	2,124
--	---	-------

Total current sundry and other receivables

17

	190,857	53,272
--	---------	--------

Note 6 Other Assets

	2012	2011
	\$	\$

Prepayments

	35,916	20,853
--	--------	--------

Security bond

	10,450	-
--	--------	---

	46,366	20,853
--	--------	--------

Note 7 Financial Assets

	2012	2011
	\$	\$

NON-CURRENT

Available-for-sale financial assets

— Investments in Australian listed shares, available for sale

	-	108,151
--	---	---------

Held-to-maturity financial assets:

— Investments in government and fixed interest securities

	-	24,270
--	---	--------

	-	132,421
--	---	---------

Note 8 Property, Plant and Equipment

	2012	2011
	\$	\$

LAND AND BUILDINGS

Land and Buildings at fair value:

— Independent valuation 2011

	2,390,000	2,390,000
--	-----------	-----------

— Less accumulated depreciation

	(56,498)	(13,233)
--	----------	----------

Total land and buildings

	2,333,503	2,376,768
--	-----------	-----------

OCCUPATIONAL THERAPY AUSTRALIA LTD

ABN: 27 025 075 008

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

OFFICE EQUIPMENT & FURNITURE

At cost	136,048	122,828
Less accumulated depreciation	(60,608)	(33,646)
Total office equipment & furniture	<u>75,440</u>	<u>89,182</u>
 Total property, plant and equipment	 <u>2,408,942</u>	 <u>2,465,949</u>

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:

	Land and Buildings \$	Plant and Equipment \$	Total \$
2011			
Balance at the beginning of the year	1,012,595	23,083	1,035,678
Additions at cost	-	25,496	25,496
Additions at fair value	1,130,000	65,351	1,195,351
Revaluation increment	247,405	-	247,405
Depreciation expense	(13,233)	(24,748)	(37,981)
Carrying amount at end of year	<u>2,376,767</u>	<u>89,182</u>	<u>2,465,949</u>
2012			
Balance at the beginning of the year	2,376,767	89,182	2,465,949
Additions at cost	-	13,220	13,223
Depreciation expense	(43,264)	(26,962)	(70,229)
Carrying amount at end of year	<u>2,333,503</u>	<u>75,440</u>	<u>2,408,943</u>

Asset revaluations

At 31 December 2012 the directors have performed a directors' valuation on the freehold land and buildings. The directors have reviewed the key assumptions adopted by the valuers in 2011 and do not believe there has been a significant change in the assumptions at 31 December 2012. The directors therefore believe the carrying amount of the land correctly reflects the fair value less cost to sell at 31 December 2012.

Note 9 Sundry and Other Payables

	2012 \$	2011 \$
CURRENT		
Sundry payables	169,178	211,394
Income in advance	896,761	927,351
Other current payables	77,606	-
	<u>1,143,546</u>	<u>1,138,746</u>

Note 10 Borrowings

	2012 \$	2011 \$
NON-CURRENT		
Borrowings	-	354,193
	<u>-</u>	<u>354,193</u>

Note 11 Provisions

	2012 \$	2011 \$
CURRENT		
Short-term Employee Benefits		
Opening balance at 1 January 2012	124,711	82,654
Additions/(Reductions) of provisions	(29,793)	42,057
Balance at 31 December 2012	<u>94,918</u>	<u>124,711</u>

NON-CURRENT

Long-term Employee Benefits		
Opening balance at 1 January 2012	23,175	-
Additions/(Reductions) of provisions	(192)	23,175
Balance at 31 December 2012	<u>22,983</u>	<u>23,175</u>

OCCUPATIONAL THERAPY AUSTRALIA LTD
ABN: 27 025 075 008
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Analysis of Total Provisions	2012	2011
	\$	\$
Current	94,918	124,711
Non-current	22,983	23,175
	<u>117,901</u>	<u>147,886</u>

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

Note 12 Contingent Liabilities and Contingent Assets

The company acts as trustee of the Occupational Therapy Australia Research Foundation (the "Trust") and liabilities have been incurred on behalf of the Trust in the company's capacity as Trustee. To the extent that the Trust is unable to meet any obligations, the trustee maybe held liable. Liabilities incurred on behalf of the Trust are therefore not recognised in the financial statements when it is not probable that the company will have to meet any of those Trust liabilities from its own resources. When it is not probable that the company will have to meet some Trust liabilities, a provision for Trust liabilities will be brought to account. In addition the company as trustee has a right to be indemnified out of the Trust assets for any obligation not met by the trust. Details of the Trust liabilities and assets are detailed in note 19.

Note 13 Events After the Reporting Period

No other matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the state of affairs of the company in subsequent financial years.

Note 14 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: Ms Rachel Norris, Chief Executive Officer and Azzam Al-Ashi, Chief Finance Officer

Note 15 Related Party Transactions

(a) Directors' compensation

The directors act in an honorary capacity and receive no compensation for their services. During the year travel and out of pocket expenses incurred by the directors in fulfilling their roles were reimbursed.

(b) Transactions with Director-related entities

Transactions between Director related entities are on normal commercial terms and conditions no more favourable than those available to other persons unless otherwise stated. No amounts are payable to or receivable from directors or director related entities at reporting date.

Note 16 Cash Flow Information

Reconciliation of Cashflow from Operations with Profit after Income Tax	2012	2011
	\$	\$
Deficit after income tax	(192,223)	(137,981)
Non cash flows		
Depreciation expense	70,229	37,982
Changes in assets and liabilities		
(Increase)/decrease in accounts receivable and other debtors	(137,585)	361,187
(Increase)/decrease in other assets	(15,063)	7,123
Increase/(decrease) in accounts payable and other payables	4,800	604,056
Increase/(decrease) in provisions	(29,985)	65,232
	<u>(299,827)</u>	<u>937,598</u>

OCCUPATIONAL THERAPY AUSTRALIA LTD

ABN: 27 025 075 008

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Note 17 Financial Risk Management

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payables.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2012 \$	2011 \$
Financial assets			
Cash and cash equivalents	4	1,367,605	2,026,316
Loans and receivables	5	190,857	53,272
Held-to-maturity investments			
— investments in government and fixed interest securities	7	-	24,270
Available-for-sale financial assets			
— investments in Australian listed shares, available for sale	7	-	108,151
Total financial assets		<u>1,558,462</u>	<u>2,212,009</u>
Financial liabilities			
Financial liabilities at amortised cost			
— trade and other payables	9	1,143,546	1,138,746
— borrowings	10	-	354,193
Total financial liabilities		<u>1,143,546</u>	<u>1,492,939</u>

Financial Risk Management Policies

The finance committee is responsible for monitoring and managing the company's compliance with its risk management strategy and consists of senior Board members. The finance committee's overall risk management strategy is to assist the company in meeting its financial targets whilst minimising potential adverse effects on financial performance. Risk management policies are approved and reviewed by the finance committee on a regular basis. These include credit risk policies and future cash flow requirements.

Note 18 Reserves

Revaluation Surplus

The revaluation surplus records the revaluations of non-current assets.

Note 19 Trust Information

Occupational Therapy Australia Ltd acted as trustee of the Occupational Therapy Australia Research Foundation Trust for the whole of the financial year. The Research Foundation has a 30 June year end balance date in accordance with its Trust Deed. The financial information for the trust is presented below:

	At 30/6/2012 Audited \$	6 months ended at 31/12/2012 Unaudited \$
Statement of Comprehensive Income		
Revenue		
Contributions received from Occupational Therapy Australia Ltd on 14 May 2012	210,136	-
Sundry donations received	5,000	-
Interest	1,057	2,805
Less Expenses		
Auditor's remuneration	(1,300)	-
Total comprehensive income	<u>214,893</u>	<u>2,805</u>

Statement of Financial Position

ASSETS		
Term deposit	216,193	218,998
LIABILITIES		
Payables	1,300	1,300
NET ASSETS	<u>214,893</u>	<u>217,698</u>

OCCUPATIONAL THERAPY AUSTRALIA LTD

ABN: 27 025 075 008

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Note 20 Equity transferred from liquidated affiliated entities

	\$
Australian Association of Occupational Therapists	1,291,917
Australian Association of Occupational Therapists - ACT	42,784
Australian Association of Occupational Therapists - TAS	44,781
Australian Association of Occupational Therapists - NT	49,099
Australian Association of Occupational Therapists - VIC	828,885
Australian Association of Occupational Therapists - NSW	590,204
Australian Association of Occupational Therapists - SA	183,451
Australian Association of Occupational Therapists - QLD	202,082
	<u>3,233,203</u>

The activities, operations and assets of the above entities were transferred to Occupational Therapy Australia Ltd as a result of the members of the Australian Association of Occupational Therapists passing a resolution at a special meeting on the 28th of November 2009. The assets and liabilities of the above entities were transferred to Occupational Therapy Australia Ltd during the 2010 to 2012 calendar year respectively as part of the conditions of the wind up of these entities. Asset transfers transferred from entities that were woundup are detailed below.

	\$
Asset transfers 2012	96,696
Asset transfers 2011	1,712,865
Asset transfers 2010	1,423,642
	<u>3,233,203</u>

Note 21 Research Funds

	2012	2011
	\$	\$
Research Funds invested in short term fixed term deposits	-	124,252
Research Funds invested in Asgard balanced funds	-	85,785
	<u>-</u>	<u>210,037</u>

Occupational Therapy Australia Ltd acted as trustee of the Occupational Therapy Australia Research Foundation and transferred these Funds to the Foundation in accordance with the Trust deed. The Research Foundation is a registered Public Ancillary Fund with the Australian Taxation Office. Funds held at 31 December 2011 were the basis for the contribution to the Occupational Therapy Australia Research Foundation.

Note 22 Entity Details

The registered office of the entity is:

Occupational Therapy Australia Ltd
Unit 6, 340 Gore Street
FITZROY, VIC 3065

The principal place of business is:

Occupational Therapy Australia Ltd
Unit 6, 340 Gore Street
FITZROY, VIC 3065

Note 23 Members' Guarantee

The entity is incorporated under the Corporations Act 2001 and is an entity limited by guarantee. If the entity is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the entity.

OCCUPATIONAL THERAPY AUSTRALIA LTD

ABN: 27 025 075 008

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Note 24 **Commitments and Finance Arrangements**

	2012	2011
	\$	\$
Non-Cancellable operating leases contracted for but not recognised in the financial statements		
Payable - minimum lease payments		
- not later than 12 months	38,000	38,000
- between 12 months and five years	114,000	152,000
	<u>152,000</u>	<u>190,000</u>

The company leases offices in South Australia and Queensland. Both property leases are non-cancellable with a five-year term, with rent payable in advance. An option exist to renew the leases at the end of the five-year term for an additional five years. The lease allows for subletting of all lease areas.

Occupational Therapy Australia Ltd has provided commercial property as security to Westpac Bank Ltd for the use of Merchant Card facilities.

OCCUPATIONAL THERAPY AUSTRALIA LTD
ABN: 27 025 075 008
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Occupational Therapy Australia Ltd, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 21, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards; and
 - (b) give a true and fair view of the financial position of the company as at 31 December 2012 and of performance for the year ended on that date.
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.

Director



Nicole O'Reilly

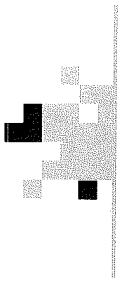
Dated this

22

day of

April

2013



JOHN WHELLER, F.C.A.
CHARTERED ACCOUNTANT

OCCUPATIONAL THERAPY AUSTRALIA LTD
ABN: 27 025 075 008
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
OCCUPATIONAL THERAPY AUSTRALIA LTD

Report on the Financial Report

We have audited the accompanying financial report of Occupational Therapy Australia Ltd, which comprises the statement of financial position as at 31 December 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 and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 judgement, 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 company'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

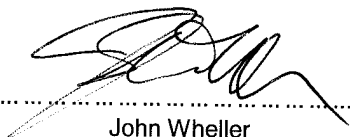
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Occupational Therapy Australia Ltd, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion, the financial report of Occupational Therapy Australia Ltd is in accordance with Corporations Act 2001, including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Auditor's signature:


.....
John Wheller

Dated this

22 day of April 2013

Registered Company Auditor No.9003

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