

Australian Psychology
Accreditation Council



ANNUAL REPORT

JANUARY - DECEMBER 2015

Australian Psychology Accreditation Council Limited | ABN 26 117 279 857
PO Box 18385, Melbourne VIC 3001, Australia
Tel: +61 3 9999 4900 | apac@psychologycouncil.org.au | www.psychologycouncil.org.au

Overview of 2015 Operations

Introduction

The year was significant for APAC in a number of respects, with a number of changes arising from APAC's newly-independent status. Formerly a subsidiary of the Australian Psychological Society Ltd (APS), APAC's constitution was amended in 2014 to allow for independent operations, as is required under its agreement with the Psychology Board of Australia (PsyBA). As a consequence, towards the end of the year APAC moved to new premises, terminated service agreements with APS, and finalised implementation of a new database for use in accreditation operations and reporting.

In addition, a new CEO commenced mid-year, and new staff were taken on to assist in supporting day-to day functions as well as special projects such as the development of new standards.

Accreditation Functions of APAC

In 2014 the Psychology Board of Australia re-appointed APAC to exercise the accreditation function for the four year period from 1 July 2014 to 30 June 2018. APAC reports on a half-yearly basis to the Australian Health Practitioner Regulation Agency (AHPRA) and the Psychology Board of Australia (PsyBA) on the fulfilment of its ongoing obligations under this four year agreement.

Review of Accreditation Standards

The major review of accreditation standards for the psychology profession, which fell into abeyance for a period while APAC restructured, recommenced in earnest in early 2015, with a first draft finalised by the end of the year, preparatory to a round of internal stakeholder and then public consultation in 2016. These standards include new standards which will apply to programs of study supporting entry to an Area of Practice Endorsement Registrar Program.

Accreditation Services and Engagement

During 2015, APAC staff handled close to 4000 enquiries, half of these via email and the remainder over the telephone. Queries emanate from a wide range of stakeholders including education providers, students, the Australian Health Practitioner Regulation Agency, Tertiary Education Quality and Standards Agency (TEQSA), other government agencies, and Heads of Departments and Schools of Psychology.

APAC officers and staff also provided advice to the PsyBA and AHPRA, and participated in numerous other consultations, conferences and meetings around Australia.

APAC responded to a 184 requests for historical course verifications from the public, Higher Education Providers and AHPRA staff during 2015.

APAC also appointed and managed some 22 APAC assessment teams (7 cycle, 2 Audit, 11 follow-up and 2 new program assessments) comprising assessments of 84 undergraduate and 30 postgraduate programs of education, including 1 offshore assessment.

APAC attended the 50th APS Annual Conference in Brisbane as an exhibitor to promote stakeholder engagement, in particular in relation to APAC's response to the NRAS Review and concerning the development of the new accreditation standards.

Development of APAC's Accreditation Database

In July 2014, APAC received a second tranche of funding from AHPRA for the development of an independent accreditation database. The project continued in 2015, with the new database established and functioning on a stand-alone basis at the end of December 2015. The database will bring a number of efficiencies, and will enable reporting to the PsyBA in a format required by our agreement.

Submissions and Policy Work

APAC responded to the release of the Report of the Review into the National Registration and Accreditation Scheme, and has been involved in subsequent work by the Forum of Accreditation Councils to respond to number of matters raised by the Review.

APAC, in common with the other accreditation councils had significant concerns with the NRAS report, in particular with the financial analysis on which a number of recommendations were based. APAC is participating in work designed to establish more robust financial conclusions, as well as work designed to harmonise some processes of the Accreditation Councils, in line with recommendations made in the Report.

During the year APAC had input into a number of matters under review by the PsyBA, and APAC nominees and staff participated in the Summit on the future of Psychology Education held in December in Canberra.

The APAC Chair, CEO and Manager Accreditation Services participate in meetings of the Forum of Accreditation Councils, and the CEO attended a joint meeting of AHPRA and the Forum to discuss outcomes of the NRAS Review.

Tax Status of the Company

During the year an application was made for exemption from payment of Payroll Tax, and this exemption was granted in February 2016.

Funding Contract

APAC's funding and service contract with AHPRA on behalf of the PsyBA for the July 2015 – June 2016 period was renewed in June 2015.

Relocation of APAC Offices

APAC found new offices at the end of 2015, and moved in early December. Previous premises were licensed from APS Ltd. The APAC Board and staff express our gratitude to APS for its support over many years, including during the transition to independent status.

Retirement of Professor Trevor Waring

At the end of the year the APAC Board farewelled Professor Waring, who stepped down as a Director after the last Board meeting for the year. Professor Waring had been a member of the Board of APAC since 2008, was Chair for many years and played a significant role in steering the organisation into a new phase of development. The Board acknowledged his long and distinguished contribution to APAC and the profession.

APAC CEO

Ms Helena Gillies was acting CEO and Company Secretary until June 30, 2015 and Ms Jane Stephens commenced as CEO and Company Secretary on July 1, 2015. The Board expresses its profound appreciation to Ms Gillies for her loyal and committed support during her term as Acting CEO.

APAC Members

Australian Psychological Society Ltd

Heads of Departments and Schools of Psychology Association Inc

Ms Kaye Frankcom (Nominee of the Psychology Board of Australia)

APAC Board of Directors

	No of meetings held while in office	No of meetings attended	Qualifications
Associate Professor Lesley Bretherton	7	7	PhD
Professor Simon Crowe	7	6	PhD Hon FAPS FNAN FAICD
Ms Ann Doolette	7	5	MEd
Professor John Dunn (Chair)	7	6	PhD
Adjunct Professor Geoffrey George	7	7	MSocSc FCPA
Professor Caroline Hunt	7	7	PhD DipAICD
Professor Mary Katsikitis	7	7	PhD FAPS
Professor Lyn Littlefield OAM	7	7	PhD FAPS FAICD FAIM
Associate Professor Shirley Morrissey	7	6	PhD FAPS
Professor Nancy Pachana	7	5	PhD FAPS FASSA
Ms Clare Thompson	7	7	LLB LLM
Conjoint Professor Trevor Waring AM	7	6	MSc Hon FAPS

Company Secretary

	No of meetings held while in office	No of meetings attended	Qualifications
Ms Jane Stephens	3	3	BA LLB(Hons) LLM

APAC Staff 2015

Ms Jane Stephens CEO (from July 2015)

Ms Helena Gillies Accreditation Services Manager (Acting CEO January to June 2015)

Ms Georgina Bodman Senior Accreditation Officer

Ms Frances Nova Office Manager

Ms Mirella Alessio Senior Project Officer

Ms Tricia Tamburro (until June 2015)

Ms Lucy Whalen (until August 2015)

Ms Lauren Byrne (August – December 2015)

APAC Financial Report for the Year Ended 31 December 2015

Directors' Report

The Directors present their report on the results of Australian Psychology Accreditation Council Limited ABN 26 117 279 857 (APAC) for the period of 1 January to 31 December 2015 and the state of affairs of the Company at that date. 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:

Director	Date of Appointment / Cessation
Professor Lyn Littlefield	Appointed 24/11/2005
Conjoint Professor Trevor Waring	Appointed 25/02/2008 (Resigned 03/12/15)
Associate Professor Caroline Hunt	Appointed 14/10/2010
Professor Simon Crowe	Appointed 18/10/2012
Professor John Dunn (Chair)	Appointed 06/06/2014
Professor Mary Katsikits	Appointed 05/06/2014
Associate Professor Shirley Morrissey	Appointed 14/06/2014
Ms Clare Thompson	Appointed 20/06/2014
Associate Professor Lesley Bretherton	Appointed 10/06/2014
Ms Ann Doolette	Appointed 09/06/2014
Professor Nancy Pachana	Appointed 18/06/2014
Adjunct Professor Geoffrey George	Appointed 29/11/2014

Principal activities

The principal activities of APAC during the period were: to develop accreditation standards for the approval of the Psychology Board of Australia (PsyBA); assess programs of study and the education providers offering those programs against the approved standards; where appropriate grant accreditation to those providers and programs which meet the approved standards under Sections 42-51 of the Health Practitioner Regulation National Law Act 2009; monitor accredited education providers and their accredited programs to ensure continued compliance with the approved standards under section 50 of the National Law, and provide advice to the PsyBA, government, education providers and other stakeholders regarding the education and training of psychologists in Australia.

Operating results

The net surplus of APAC for the period ended 31 December 2015 is \$36,557 (net surplus of \$478,746 in 2014).

Dividends and share options

The liability of members is limited and APAC does not have share capital. No portion of APAC's surplus in any year shall be paid to members by way of dividends, bonus or otherwise. No options for shares in the Company have been issued during the period and no options remain unexercised.

Review of operations

The review of the operations of APAC during the period and the results of those operations are noted elsewhere (in APAC's 2015 Annual Report).

Segment Information

APAC is a not for profit entity and a registered charity, and operates predominantly in Australia.

Significant changes in the state of affairs

In the opinion of the directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review.

Significant matters subsequent to the end of the financial year

In 2015 APAC applied to the State Revenue Office for exemption from payment of payroll tax and de-grouping from APS for payroll tax purposes. This was consequent to APAC no longer operating as a subsidiary of APS Ltd and having received registered charity status in 2014. In February 2016, APAC received the confirmation for exemption from payroll tax and for de-grouping from APS. APAC is entitled to a refund for payroll taxes for the period 1 July 2014 to 30 June 2015, for which a receivable of \$23,427 has been recognised. Payroll tax for the period of refund has been reversed through current year results.

Company Secretary

The Company Secretary until 1 July 2015 was Ms Helena Gillies who was the Acting CEO during the first half of the year. Ms Jane Stephens commenced as CEO and Company Secretary/Public Officer on July 1 2015.



Directors' Meetings
(1 January to 31 December 2015)

	No of meetings held while in office	No of meetings attended	Qualifications
Associate Professor Lesley Bretherton	7	7	PhD
Professor Simon Crowe	7	6	PhD Hon FAPS FNAN FAICD
Ms Ann Doolette	7	5	MEd
Professor John Dunn (Chair)	7	6	PhD
Associate Professor Caroline Hunt	7	7	PhD DipAICD
Professor Mary Katsikitis	7	7	PhD FAPS
Professor Lyn Littlefield OAM	7	7	PhD FAPS FAICD FAIM
Associate Professor Shirley Morrissey	7	6	PhD FAPS
Professor Nancy Pachana	7	5	PhD FAPS FASSA
Adjunct Professor Geoffrey George	7	7	MSocSc FCPA
Ms Clare Thompson	7	7	LLB LLM
Conjoint Professor Trevor Waring AM	7	6	MSc Hon FAPS

Indemnification and insurance of Directors and officers

During or since the financial year, APAC has paid premiums in respect of a contract insuring all Directors and office bearers of APAC against costs incurred in defending proceedings for conduct involving:

- A wilful breach of duty, and
- A contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

The total amount of insurance contract premiums paid was \$9,470 (2014: \$7,963).

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the *Corporations Act 2001*.

Employees

APAC employed 3 FTE staff during most of the period, growing to 4.8 FTE by the end of the year. Ms Helena Gillies was Acting CEO from January 1, 2015 to June 30, 2015. Ms Jane Stephens commenced as CEO on July 1 2015.

Auditor's Independence Declaration

A copy of the auditor's independent declaration, as required under section 60-40 of the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012 is attached.

Signed in accordance with a resolution of the Directors.

John Dunn
Director

Date

15-4-16

Geoffrey George
Director

Date

15-4-2016

Melbourne 15 April 2016



Australian Psychology Accreditation Council Limited (APAC) ABN 26 117 279 857
Annual financial report - 31 December 2015

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These financial statements cover the financial statements of APAC as an individual entity. The financial statements are presented in the Australian currency.

APAC is a public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4
136 Exhibition Street
Melbourne VIC 3000

A description of the nature of APAC's operation and its principal activities is included in the directors' report on page 1, which is not part of the financial statements.

The financial statements were authorised for issue by the directors on 11th day of April 2016. The directors have the power to amend and reissue the financial statements.


**STATEMENT OF COMPREHENSIVE INCOME FOR THE
Year ended 31 December 2015**

	NOTE	2015 \$	2014 \$
Revenue	2	1,071,368	1,177,337
Expenses	2		
Salaries, Governance, Administration and Occupancy		(1,031,676)	(840,394)
Finance costs		(3,135)	(2,464)
Surplus before income tax		<u>36,557</u>	<u>334,479</u>
Income Tax Benefit/(Expense)	8	-	144,267
Net Surplus for the year		<u>36,557</u>	<u>478,746</u>
Total comprehensive income for the period		<u>36,557</u>	<u>478,746</u>

**STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2015**

	2015 \$	2014 \$
Opening retained earnings	806,409	327,663
Total comprehensive income for the year	<u>36,557</u>	<u>478,746</u>
Closing retained earnings at 31 December 2015	<u>842,966</u>	<u>806,409</u>

**STATEMENT OF FINANCIAL POSITION
As at 31 December 2015**

	NOTE	2015 \$	2014 \$
CURRENT ASSETS			
Cash and cash equivalents	3	820,942	814,494
Trade & other receivables	5	31,789	141,968
Prepayment	6	<u>13,380</u>	<u>10,538</u>
TOTAL CURRENT ASSETS		<u>866,111</u>	<u>967,000</u>
NON CURRENT ASSETS			
Property, plant and equipment	10	<u>234,893</u>	<u>121,373</u>
TOTAL NON-CURRENT ASSETS		<u>234,893</u>	<u>121,373</u>
TOTAL ASSETS		<u>1,101,004</u>	<u>1,088,373</u>
CURRENT LIABILITIES			
Trade and other payables	7	164,171	224,128
Provisions	9	<u>28,985</u>	<u>7,651</u>
TOTAL CURRENT LIABILITIES		<u>193,156</u>	<u>231,779</u>
NON CURRENT LIABILITIES			
Trade and other payables	7	64,882	37,046
Provisions	9	<u>13,139</u>	<u>13,139</u>
TOTAL NON CURRENT LIABILITIES		<u>64,882</u>	<u>50,185</u>
TOTAL LIABILITIES		<u>258,038</u>	<u>281,964</u>
NET ASSETS		<u>842,966</u>	<u>806,409</u>
EQUITY			
Retained Surplus	14	<u>842,966</u>	<u>806,409</u>
TOTAL EQUITY		<u>842,966</u>	<u>806,409</u>



STATEMENT OF CASH FLOWS
Year ended 31 December 2015

	NOTE	2015 \$	2014 \$
Cash Flows from Operating Activities			
Receipts from Customers/Members		1,117,899	1,114,604
Interest Received		16,225	15,434
Payments to Suppliers & Employees		(1,058,489)	(820,378)
Income tax refunded		97,280	88,707
Income tax paid		(30,847)	(151,950)
Interest & Other Costs of Finance Paid		(3,135)	(2,464)
NET CASH FROM OPERATING ACTIVITIES	4	<u>138,934</u>	<u>243,953</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(132,486)	(89,024)
NET CASH FROM INVESTING ACTIVITIES		<u>(132,486)</u>	<u>(89,024)</u>
Net Increase in Cash Held		6,448	154,929
Cash at Beginning of Period		814,494	659,565
CASH AT THE END OF THE FINANCIAL YEAR	3	<u>820,942</u>	<u>814,494</u>

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2015

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of the preparation of the accounts

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations, Corporations Act 2001 and the Australian Charities and Not for profit Commission (AC/NC) Act 2012 or equivalent. APAC is a not for profit entity and therefore applies additional Australian Accounting Standards paragraphs applicable to "not for profit" entities.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

(i) Going concern disclosure

On 29 May 2014 a redrafted APAC Constitution was adopted, putting in place new membership arrangements and appointing new Directors to the APAC Board. As a consequence, the Psychology Board of Australia announced in June 2014 that it had re-assigned the accreditation functions to APAC under the National Law until 30 June 2018. While the assignment of the accreditation function is until June 2018, the funding agreement between APAC and AHPRA is negotiated annually for a 12 month period. The funding request for the period July 2016 to June 2017 was considered by the Psychology Board of Australia at the 1 April 2016 meeting of the Board and has been subsequently approved via email dated 1 April 2016. A signed funding agreement for 2016-2017 is expected to be received in May 2016.

(ii) Compliance with Australian Accounting Standards

The financial statements comply with Australian Accounting Standards - Reduced Disclosure requirements as issued by the Australian Accounting Standards Board (AASB).

(iii) Historical cost convention

The accounts have been prepared under the convention of historical cost accounting.

(b) Income Tax

APAC is now a registered charity under Australian Charities and Not-for-profits Commission and has received ATO tax exemption status from 24 November 2005.

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised:

Accreditation Income

Accreditation income is recognised once the associated accreditation has been performed for the higher education provider. If monies have been received and the associated accreditation has not been finalised the revenue is deferred.

Interest

Control of the right to receive consideration for the provision of, or investment in, assets has been attained.

Funding

Funding is recognised as revenue when APAC gains control of the underlying assets in accordance with AASB 1004 Contributions. Where funding is reciprocal revenue is recognised as performance occurs under the funding agreement. Non-reciprocal funding is recognised as income when the funding is received. Funding is received from the Australian Health Practitioner Regulation Agency.

Other income

Other income related to the reporting period has been received from external parties fees to access historical course information and funding received for reimbursement of Directors' fees

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(e) Cash and cash equivalents

Cash in the statement of financial position comprises cash at bank.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above

(f) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

An estimate of doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Other receivables are amounts generally arise from transactions outside the usual operating activities.

(g) Trade and other payables

Trade payables represent liabilities for goods and services provided to APAC prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(h) Unearned revenue

Unearned revenue represents liabilities for accreditation services which are yet to be provided by APAC. Therefore, any accreditation income received prior to 31 December 2015 which relates to accreditation period after 1 January 2016 is recognised as unearned revenue at 31 December 2015.

(i) Property Plant and Equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on property plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives as follows:

IT Hardware/Software - 3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

NOTE 2: OPERATING SURPLUS

	2015 \$	2014 \$
Operating surplus for the period has been determined after:		
(a) Including in operating revenue:		
Accreditation Income (AOU)	235,031	323,550
Postgraduate Accreditation Income	88,934	239,347
Other income	47,207	44,638
Interest	16,225	15,434
Funding*	683,971	554,368
	<u>1,071,368</u>	<u>1,177,337</u>
(b) Charging/(crediting) the following items:		
Operating expenses for services provided by the APS/Other	44,324	60,722
Other operating expenses	295,121	232,183
Wages and Salaries	465,731	361,392
Accommodation/Travel Expenses	180,185	131,685
Provision Long service leave	(1,226)	8,930
Provision Annual leave	14,044	6,958
Superannuation costs	36,632	40,988
	<u>1,034,811</u>	<u>842,858</u>

*Government Grants

Funding from the Health Practitioner Regulation Agency on behalf of the Psychology Board of Australia

683,971	554,368
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NOTE 3: CASH AND CASH EQUIVALENTS

Cash at Bank	15,589	21,862
Facility Term Deposit	35,937	-
Interest Maximising Deposits	769,416	792,632
Total Cash and Cash Equivalents	<u>820,942</u>	<u>814,494</u>

NOTE 4 : RECONCILIATION OF CASH FLOWS

For purposes of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2015 \$	2014 \$
Reconciliation of surplus for the period to net cash flows from operating activities		
Operating Surplus	36,557	478,746
Plus/(minus) non-cash items:		
Depreciation	18,965	18,350
Change in Assets & Liabilities:		
Decrease/(Increase) in Trade and other receivables	110,180	(123,568)
Decrease/(Increase) in Prepayments	(2,842)	(4,844)
Decrease/(Increase) in Deferred Tax Asset	-	31,427
(Decrease)/Increase in Trade and other payables	(32,122)	58,524
(Decrease)/Increase in Current Tax Liability	-	(172,504)
(Decrease)/Increase in Provisions	8,195	(42,178)
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>138,933</u>	<u>243,953</u>

NOTE 5: TRADE AND OTHER RECEIVABLES

	2015 \$	2014 \$
Trade Debtors	4,542	30,978
Other Receivables and Accruals	27,247	44,557
Current Tax Receivable	-	66,433
	<u>31,789</u>	<u>141,968</u>

NOTE 6: PREPAYMENTS

	2015 \$	2014 \$
Prepayments	13,380	10,538
	<u>13,380</u>	<u>10,538</u>

NOTE 7: TRADE AND OTHER PAYABLES

	2015 \$	2014 \$
Deferred revenue	64,882	37,046
Trade Creditors	131,437	217,643
Other Payables and Accruals	32,733	6,485
	<u>229,052</u>	<u>261,174</u>

NOTE 8: INCOME TAX

	2015 \$	2014 \$
(a) Income tax (benefit)/expense		
Current tax	-	(175,694)
Deferred tax	-	31,427
	<u>-</u>	<u>(144,267)</u>
Income tax (benefit)/expense is attributable to:		
Net surplus from continuing operations	-	(144,267)
Aggregate income tax (benefit)/expense	<u>-</u>	<u>(144,267)</u>

NOTE 9: PROVISIONS

	2015 \$	2014 \$
Current		
Employee benefits	17,072	7,651
- Annual leave	11,913	-
- Long service leave	-	-
Non-current		
Employee benefits	-	13,139
- Long service leave	-	-
TOTAL PROVISIONS	<u>28,985</u>	<u>20,790</u>

NOTE 10: PROPERTY, PLANT AND EQUIPMENT

	2015 \$	2014 \$
Furniture and equipment		
At cost	107,141	55,050
Accumulated depreciation	(41,667)	(22,701)
	<u>65,475</u>	<u>32,349</u>
Software Development		
At cost	169,419	89,024
Accumulated depreciation	-	-
	<u>169,419</u>	<u>89,024</u>
Totals		
At cost	276,560	144,074
Accumulated depreciation	(41,667)	(22,701)
	<u>234,893</u>	<u>121,373</u>
Reconciliation of Plant and equipment		
Carrying amount at the beginning of the year	121,373	50,699
Additions	132,486	89,024
Depreciation expense	(18,966)	(18,350)
	<u>234,893</u>	<u>121,373</u>

NOTE 11: RELATED PARTY TRANSACTIONS

	2015 \$	2014 \$
The following transactions occurred with related party the APS		
Expenses incurred and paid by the APS on behalf of APAC including overheads, wages and costs related to accreditation assessments*	<u>43,248</u>	<u>47,954</u>

NOTE 12: KEY MANAGEMENT PERSONNEL DISCLOSURES

	2015 \$	2014 \$
Aggregate key management personnel compensation	<u>211,645</u>	<u>254,197</u>

*Key management Personnel includes Directors and Senior Executives

NOTE 13: LEASE COMMITMENTS

	2015 \$	2014 \$
APAC did not have any contingent liabilities as at 31 December 2015		
APAC has operating leases in respect of office premises, IT hardware/software, and support and storage		
Not later than one year	57,122	69,555
Later than one year and not later than five years	120,064	-
Total operating lease commitments	<u>177,186</u>	<u>69,555</u>
Operating lease expenses recognised as an expense during the period	37,318	36,064

NOTE 14: RETAINED EARNINGS

	2015 \$	2014 \$
Balance at the Beginning of the Financial Period	806,409	327,663
Surplus from Ordinary Activities	36,557	478,746
Retained Surplus	<u>842,966</u>	<u>806,409</u>

APAC is a public company limited by guarantee and accordingly each Member of APAC undertakes to contribute to the assets of APAC in the event of the same being wound up while the Member is a Member, or within one year after the Member ceases to be a Member, for payment of debts and liabilities that APAC contracted before the Member ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves such amount as may be required, not exceeding twenty dollars.

Directors' Declaration

In the Directors' opinion :

- (a) the financial statements and notes set out on pages 4-8 are in accordance with the *Corporations Act 2001* and the *Australian Charities and No-for-Profit Commission (ACNC) Act 2012 or equivalent*, including:
- (i) complying with Accounting Standards - Reduced Disclosure Requirements, the Corporations Regulations 2001, and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the financial year ended on that date, and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.


This declaration is made in accordance with a resolution of the Directors.

Dated at Melbourne this 15th Day of April 2016

John Dunn
Director

A handwritten signature in blue ink, appearing to read "John Dunn".
15.4.16

Geoffrey George
Director

A handwritten signature in blue ink, appearing to read "Geoffrey George".
15.4.2016



Independent auditor's report to the members of Australian Psychology Accreditation Council Limited

Report on the financial report

We have audited the accompanying financial report of Australian Psychology Accreditation Council Limited (the company), which comprises the statement of financial position as at 31 December 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes 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 and the *Australian Charities and Not-for-profits Commission Act (ACNC) 2012* 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 entity's preparation and fair presentation of the financial report 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.

PricewaterhouseCoopers, ABN 52 780 433 757

Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

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Auditor's opinion

In our opinion, the financial report of Australian Psychology Accreditation Council Limited is in accordance with the *Australian Charities and Not-for-profits Commission Act (ACNC) 2012*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2015 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements.

PricewaterhouseCoopers

PricewaterhouseCoopers

A handwritten signature in blue ink, appearing to read 'Amanda Campbell', written over the printed name.

Amanda Campbell
Partner

Melbourne
15 April 2016



Auditor's Independence Declaration

As lead auditor for the audit of Australian Psychology Accreditation Council Limited for the year ended 31 December 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink, appearing to read "A. Campbell".

Amanda Campbell
Partner
PricewaterhouseCoopers

Melbourne
15 April 2016

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