

Australian Acupuncture & Chinese Medicine Association Ltd

ANNUAL REPORT 2018



• Since 1973 •

AACMA

澳大利亚针灸中医学学会

www.acupuncture.org.au

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CONTENTS

- 3 AACMA PRESIDENT'S REPORT 2018**
- 7 AACMA TREASURER'S REPORT 2018**
- 9 MEMBERS OF THE BOARD**
- 10 AACMA DIRECTOR'S REPORT 2018**
- 14 AACMA FINANCIAL REPORT 2018**
 - STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 - STATEMENT OF FINANCIAL POSITION
 - STATEMENT OF CHANGES IN EQUITY
 - STATEMENT OF CASHFLOWS
- 19 NOTES TO THE FINANCIAL STATEMENTS**
- 27 REPORT ON THE AUDIT OF THE FINANCIAL REPORT**



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**Australian Acupuncture & Chinese
Medicine Association Ltd.**

ACN: 010 020 390

Registered National Office
Suite 1, 1990 Logan Road,
Upper Mount Gravatt, Qld 4122

Phone (+61 7) 3457 1800
Email: aacma@acupuncture.org.au
Web: www.acupuncture.org.au

AACMA

PRESIDENT'S REPORT 2018



Waveny Holland :: AACMA President

It is with pleasure that I present my report on AACMA's progress for the past year.

Building on the foundation laid by the Board in the previous year, 2018 has been a year of consolidation with the newly updated AACMA Constitution adopted in February 2018, a full time CEO in place since October 2017 heading the operational arm of AACMA, the integration of the Acupuncture Association of Victoria into AACMA, a new National office address and an online process for the election of Board and State Committee members.

The AACMA Office

2018 saw the sale of the previous office building which was non-compliant with local government regulations and did not meet work place health and safety guidelines.

The Board found that the cost of making the building compliant was too expensive and not a worthy expenditure of member money so decided to sell the building, which sold in a very short space of time and AACMA was able to realise a profit from the sale.

The money from the sale has been invested with the intent of purchasing new premises to better suit the needs of National Office. Until a suitable site is found, the AACMA office has relocated to Upper Mt Gravatt on a 2 year lease.

New Election Process

The re-write of *The Constitution* has enabled the balloting and election process of Board and State Committee members to be conducted online. This was facilitated by TrueVote, an Australian internet voting business specialising in the

management and delivery of highly secure, electronic, digital, and independent voting.

Feedback from members was extremely positive due to the voting process being made very easy and engaged membership to such an extent that we received the highest percentage of voter response for any election.

The online ballot also proved to be a more efficient and less expensive option than the previous procedure which required mailing the ballot papers to the AACMA head office.

Integration of Acupuncture Association of Victoria

In early 2018 the AACMA Board was approached by the Board of the Acupuncture Association of Victoria with a proposal to have AAV integrate with AACMA. This was accomplished in October 2018 and The AACMA Board are very pleased to welcome the members of AAV as AACMA members.

Government Lobbying

AACMA, through appointed project manager Stephen Janz and director Matt O'Hara, has continued to lobby government and the Minister for Health, Greg Hunt, for the inclusion of Acupuncture into the Medicare Scheme through the Chronic Disease Management Program (CDM).

During 2018 Matt and Stephen attended meetings in Canberra. One with senior advisors to Health Minister Greg Hunt and the second with Professor Brendan Murphy, the



Chief Medical Officer. Both meetings have furthered our cause in getting the recognition to be included into the Chronic Disease Management Program.

With an the Federal election called for 18th May, it is hoped that recognition and acceptance of acupuncture by the Federal Government will be granted before the election.

If there is a change in Government it is very likely that we will have to recommence our lobbying with a new Government on this issue,. Potentially then having to build relationships with new contacts in the public service and a new Health Minister.

AACMA will continue to fight for Medicare recognition for its members and the profession.

Australian Union of Chinese Medicine

This is an AACMA initiative that commenced with an initial meeting at AACMAC in Sydney in May 2018.

AACMA extended an invitation to all the other professional associations that represent Chinese medicine practitioners to this inaugural meeting.

The presidents or their representatives of 4 of these associations, FCMA, ATMS, CMASA and CMA accepted the invitation and attended.

The mandate for this group, which is now called the Australian Union of Chinese Medicine (AUCM), was to speak with an unified voice to lobby government on the Medicare and Chronic Disease Management Program and any other issues.

Meetings are held every 4-6 weeks or as needed.

AHPRA and Advertising Guidelines

Despite ongoing warnings and provision of information regarding correct advertising from AACMA to its members, there are still members who are receiving breach notices from AHPRA with member websites being scrutinised for appropriate referencing of research to demonstrate acupuncture effectiveness or erroneous or unsupported claims of the benefits of acupuncture.

To help practitioners address this issue, the CMBA have created a tool for members to apply to their website to gauge compliance.

AHPRA requirements for compliant advertising are that the information provided should be accurate and based on acceptable evidence and not mislead patients about the potential benefits of certain health services.

Laws about advertising for health practitioners and healthcare providers hold advertisers accountable for the way they advertise regulated health services.

Acupuncture/Dry Needling

Chinese medicine practitioners here and throughout the world are incensed by the injustice of this problem.

AACMA has been actively pursuing this issue with submissions to private health funds, professional indemnity insurers and course providers alerting them to the disparity in the training and education that is undertaken by these people compared to the mandatory educational standards required to practice as acupuncturists.

This issue was also discussed during meetings with the Health Minister's senior advisor and the Chief Medical Officer.

AACMA continues to pursue this issue on behalf of members.



Social Media

AACMA has engaged the services of a marketing and public relations company to raise the profile of Chinese medicine and AACMA. This has proven to be successful with an increased reach and improved engagement of practitioners and public.

Mentoring Program

The unique and purpose written Mentoring Program commissioned by AACMA continues to grow with an increasing uptake by new and beginning practitioners.

This AACMA initiative is the first-ever mentoring program for the Chinese medicine profession in Australia and is an extraordinarily valuable resource we have available to only our members.

Mentees under the guidance of experienced practitioner mentors ensures that our medicine and profession will continue from strength to strength with knowledge, experience and expertise handed on and on.

CPD Provision

The AACMA State Committees continue to provide good quality professional development opportunities to members at reduced cost. These events generate a small profit for AACMA that enables us to support our student members with free admission to these events.

Many students are grateful and make the most of these educational opportunities which only serve to strengthen the future of our medicine and profession through our sharing of knowledge.

Our continued thanks are offered to the volunteers who make up our State Committees.

Another member benefit and service in the planning stage for AACMA members is a Learning Management System (LMS). This is designed to offer high quality continuing professional development opportunities on line.

Benefiting all members, this initiative will be especially useful for our rural and remote members who are disadvantaged by the “tyranny of distance”.

With the completion and upgrade of the AACMA website, it is hoped that the LMS will be operating by mid-2019.

AACMAC

AACMAC Sydney 2018 was held in the heritage setting of the Holme Building at Sydney University.

Attracting international speaker/practitioners Andrew and Julianne Nugent Head as keynote speakers, AACMA members were also able to attend pre-conference workshops presented by these renowned practitioners.

Not only providing good quality education but the platform for members to network and be exposed to the new equipment, books and industry specific materials on show in the trade exhibits, AACMAC continues to be the foremost Chinese medicine conference in the southern hemisphere.

International keynote speakers Mazin Al Khafji and Charles Buck have been confirmed for AACMAC Melbourne 2019.

Cancer/Oncology Scholarship

Two AACMA members were the worthy recipients of scholarships offered by Assoc Professor Byeongsang Oh of The University of Sydney. These members will be involved in the provision of acupuncture for cancer sufferers in hospital settings.



The Phil Macqueen Scholarship

2018 AACMA welcomed the first recipient of the Phil Macqueen scholarship.

For new and beginning practitioners and final year students, this scholarship has been made possible by the generosity of Phil Macqueen's partner Julie Geldard. This scholarship is a lasting memory of Phil and his contribution to the profession that he loved.

AACMA is very thankful for this very generous on going scholarship.

In Closing...

The AACMA Board has consolidated its activities with emphasis on earning recognition for members as acupuncture providers in the Chronic Disease management Program, easier access to quality CPD through the LMS and improving member benefits by partnering with "Where to Enjoy" gaining members discounted prices on a variety of products and events while continuing to advocate for positive change for the profession to government and stakeholders.

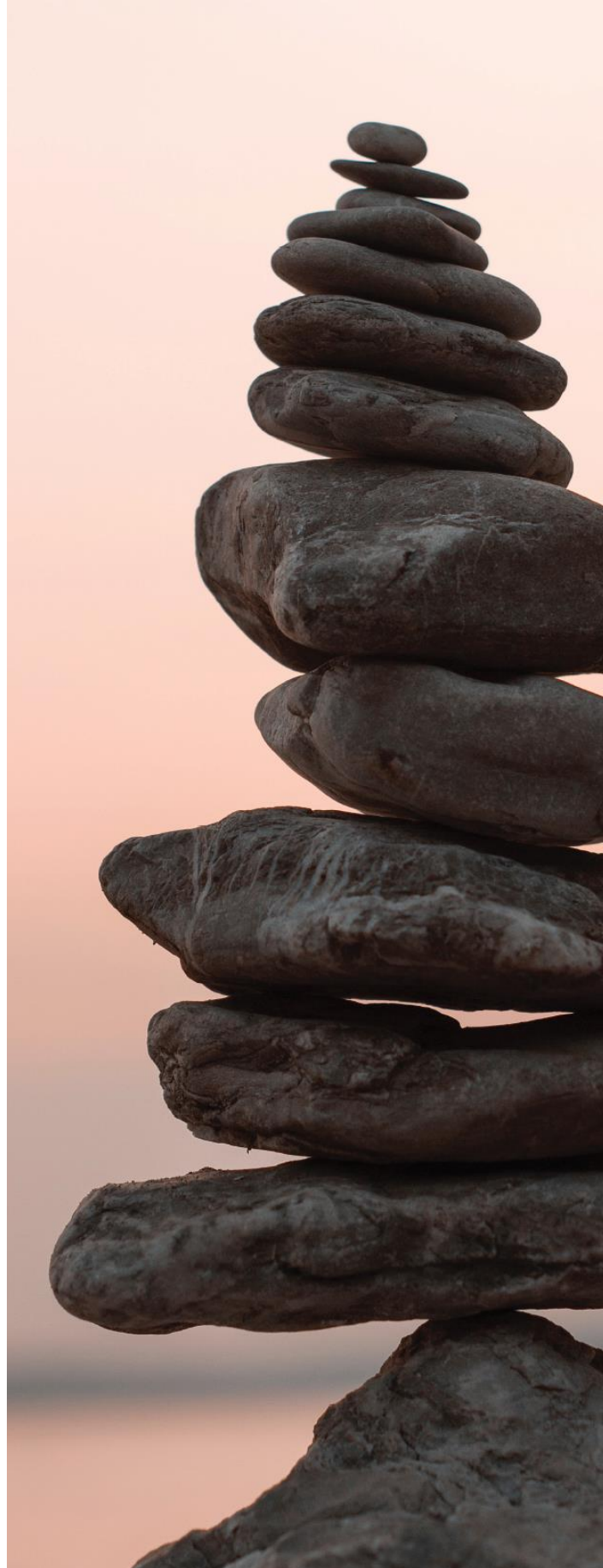
My thanks and great appreciation go to my fellow Board members, also volunteers, who have given up enormous amounts of time from family and clinic to be able to contribute to our association.

A cohesive team who has worked well together, Richard Li, (Vice President) Rose Pinter (Company Secretary) Drew Matfin (Treasurer) and Matt O'Hara (Director) Thank you!

Our office staff under the guidance of CEO Paul Stadhams, has very capably supported the Board

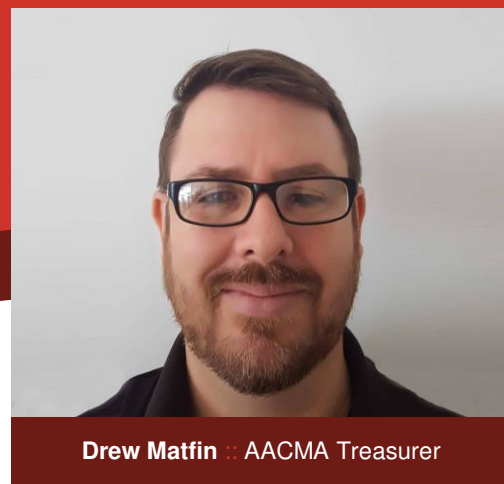
Yan (accounts), Mia (events), Elena (membership), Chris (membership), Nicole (reception), Sarah (communications) thank you for all your hard work on behalf of the members and Board.

Waveny Holland
AACMA President



AACMA

TREASURER'S REPORT 2018



This year the AACMA took some major steps forward, provided by the solid foundation from last year. The decisions by this and previous Boards have culminated to good financial growth during 2018.

The biggest change in 2018 was the sale of the Coorparoo property.

The decision to sell was approved at last year's AGM by the membership after it was discovered that there was significant issues with the premises.

The operating profit for the AACMA this year was \$49,046. With the sale of the Coorparoo building, the AACMA cash balance was substantially increased. As at 31 December 2018, it stood at \$1,634,322.

The total operational income for the association was \$1,113,561, an increase of \$11,810 compared to 2017.

As usual, the majority of this income came from membership fees, however, other sources included, term deposit interest, advertising, AACMAC, product sales, Guild insurance and State Committee functions.

The major expense for 2018 was the staff payroll at \$500,840. This increased in 2018 compared to 2017 due to having a full year with a CEO.

The running costs of the office have been streamlined under the guidance of the CEO leading to more efficient spending.

Even with the addition of rental costs to office related expenses the cost of running the AACMA head office and services only increased by \$21,543 from 2017. The 2018 office related expenses also included one off costs of:

- relocating to Mt Gravatt;
- a change from paper to computerised office;
- updating the AACMA website to include features for online payments

and potentially ongoing running costs designed to improve member services;

- obtaining the professional services of specialist social media marketing and promotion agency to work with our existing marketing and media agency; and
- updating and training on our existing computer systems to create less dependence on external computer technology companies.

The work of the head office staff have to be commended, this year was a huge change in organisational culture and dynamic, and they have continued to provide great support for the membership and Board alike.



Finally, additional significant expenses included

- the running of AACMAC 2018, which cost considerably less than previous years with the event held at the University of Sydney, which was very economical;
- AACMA Board expenses;
- and a television community service announcement was funded to further promote Acupuncture and Chinese medicine across Australia, specifically the AACMA, and its members.

Ultimately, the AACMA is again in a strong financial position.

With positive membership growth, and the development of potential future income sources outside membership fees providing stable if not increasing revenue for the next few years to come.

Personally, I would like to thank Matt O'Hara, our past treasurer, for his assistance in helping me undertake this role, to thank Paul Stadhams for his insight into the workings of the AACMA as a corporation.

And most importantly to Yan Zhang for her attention to detail, and amazing work all year long as Financial Officer.

Drew Matfin
AACMA Treasurer



AACMA

MEMBERS OF THE BOARD



WAVENY HOLLAND
President / Staff Liaison /
Membership Officer



RICHARD LI
Vice President /
Disciplinary Committee



MATT O'HARA
Director



DREW MATFIN
Treasurer



ROSE PINTER
Secretary



AACMA

DIRECTOR'S REPORT 2018

The directors present their report on Australian Acupuncture & Chinese Medicine Association Ltd for the financial year ended 31 December 2018.

1. General Information

Information on Directors

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

HOLLAND, Waveny
Director

Qualifications

- Master of Chinese Medicine (UWS)
- Bachelor of Health Science (Acupuncture) (ACNM)
- Advanced Diploma of Health Science (Acupuncture)
- Certificate IV An Mo Tui Na (ACNM)
- Registered Nurse and Midwife

Experience

- Member of AACMA (16 years), AACMA Fellow
- 19 years Clinical Practice in Australia
- QLD State Committee Member (2009 - Current)
- Chair QLD State Committee (2011 - 2014)
- Practitioner/ owner Serendip Natural Healing and Wellness Centre (2003 - Current)
- Registered with the CMBA

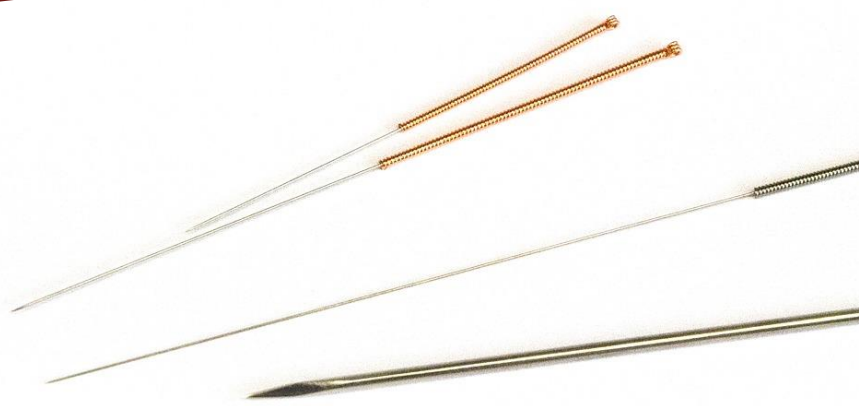
LI, Richard Ke Yuan
Director

Qualifications

- Bachelor of Medicine (TCM)
- Certificate of English for Academic Purpose
- Certificate IV Workplace Training and Assessment
- Certificate of Information Technology

Experience

- Member of AACMA (21 years), AACMA, Fellow
- Over 28 years of Clinical Practice in Australia & 5 years Clinical Practice overseas
- Lecturer at Shanghai University of TCM (5 years) & sessional lecturer at Western Sydney University (14 years)
- Vice President, World Federation of Acupuncture Moxibustion Society
- Former member of Chinese Medicine Council of NSW
- Registered with CMBA



PINTER, Rosemary

Director

Qualifications

- Bachelor of Health Science (Acupuncture)
- Diploma (Acupuncture Theory and Practice, Moxibustion and Tui Na) China
- Diploma (Acupuncture Theory and Practice)
- Australian Company Directors Course (GAICD)
- Certificate IV Small Business Management
- Bachelor of Arts (Literary Theory)

Experience

- Member AACMA (7 years)
- Past State Committee Chair (4 years)
- Current Deputy Chair of State Committee
- 22 years clinical practice (Since 1985)
- Internship Guangxi University of Traditional Chinese Medicine (TCM)
- Registered with CMBA

O'HARA, Matthew

Director

Qualifications

- Bachelor of Health Science (Acupuncture)
- Certificate of Chinese Herbal Medicine
- Diploma, Canonical Chinese Medicine

Experience

- Member of AACMA (19 years)
- 19 years of Clinical Practice in Australia
- Member of AACMA QLD State Committee (15 years)
- Registered with CMBA

MATFIN, Andrew

Director (Appointed on 19 May 2018)

Qualifications

- Diploma Applied Science (Acupuncture) 1997 ACNM
- Certificate IV (Oriental Massage) 1996 ACNM
- Master of Health Science (Acupuncture) with Distinction 2012 UWS

Experience

- AACMA member 24 years
- Practicing Acupuncturist 22 years experience
- Registered Acupuncture with CMBA 2012
- AACMA Queensland State Committee 5 years
- AACMA Mentoring Program Mentor 2 years

CACEY, Damian

Director (Retired on 19 May 2018)

HUYNH, Hoc Ku

Director (Retired on 19 May 2018)

PARKER, Shefton

Director (Retired on 19 May 2018)



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 Australian Acupuncture & Chinese Medicine Association Ltd during the financial year was regulate, represent and promote the profession of acupuncture and traditional Chinese Medicine.

No significant changes in the nature of the Company's activity occurred during the financial year.

Members' guarantee

Australian Acupuncture & Chinese Medicine Association Ltd is a company limited by guarantee. In the event of, and for the purpose of winding up of the company, the amount capable of being called up from each member and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$100 for members that are corporations and \$100 for all other members, subject to the provisions of the company's constitution.

At 31 December 2018 the collective liability of members was \$205,100 (2017: \$193,400).

2. Other Items

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Meeting of Directors

During the financial year, 15 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Name of Director	Director's Meetings	
	No. Eligible to attend	No. Attended
Carey, Damian (Retired on 19 May 2018)	6	6
Huynh, Hoc Ku (Retired on 19 May 2018)	6	6
Parker, Shefton (Retired on 19 May 2018)	5	5
Matfin, Andrew (Appointed on 19 May 2018)	8	8
Pinter, Rosemary	15	15
Holland, Waveny	15	15
Li, Richard Ke Yuan	15	14
O'Hara, Matthew	15	15



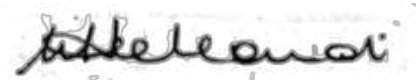
Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 31 December 2018 has been received and can be found on page 5 of the financial report.

Signed in accordance with a resolution of the Board of Directors



Director:
Pinter, Rosemary



Director:
Holland, Waveny

Dated this8th..... day ofMarch..... 2019



AACMA

FINANCIAL REPORT 2018

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF AUSTRALIAN ACUPUNCTURE & CHINESE MEDICINE ASSOCIATION LTD

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2018, 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.

INDEPENDENT AUDIT SERVICES
Chartered Accountants



Jeremiah Thum
Director

Brisbane, QLD
8th March 2019



Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2018

	Note	2018 \$	2017 \$
Revenue	4	1,113,561	1,101,751
Gain on disposal of assets	4	63,716	-
Board related expenses		(21,919)	(39,052)
Employee benefits expense	5	(500,840)	(453,980)
Maintenance expenses - office premises		20,000	(20,000)
Depreciation and amortisation expense	5	(14,823)	(15,491)
AACMAC related expenses		(84,074)	(126,166)
Audit, legal and consultancy fees		(42,022)	(40,395)
Computer related expenses		(24,660)	(43,519)
Directors' fees		(49,680)	(46,798)
Jing-Luo related expenses		(11,320)	(20,160)
Office related expenses		(112,949)	(86,700)
Member service expenses		(48,330)	(37,493)
Website related expenses		(75,884)	(59,621)
Journal related expenses		(4,865)	(4,916)
AGM related expenses		(975)	(34,063)
Other operating expenses		(92,175)	(24,892)
Surplus before income tax		112,761	48,505
Income tax expense		-	-
Surplus for the year		112,761	48,505
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met		-	-
Total comprehensive income for the year		112,761	48,505



Statement of Financial Position

As of 31 December 2018

	Note	2018 \$	2017 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,634,322	791,993
Trade and other receivables	7	9,056	4,739
Other assets	9	11,979	9,451
TOTAL CURRENT ASSETS		1,655,357	806,183
NON-CURRENT ASSETS			
Property, plant and equipment	8	3,071	575,250
TOTAL NON-CURRENT ASSETS		3,071	575,250
TOTAL ASSETS		1,658,428	1,381,433
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	177,788	57,422
Borrowings		-	80
Short-term provisions		-	20,000
Employee benefits	14	29,952	27,646
Other financial liabilities	13	740,437	678,795
TOTAL CURRENT LIABILITIES		948,177	783,943
TOTAL LIABILITIES		948,177	783,943
NET ASSETS		710,251	597,490
EQUITY			
Retained earnings		710,251	597,490
TOTAL EQUITY		710,251	597,490



Statement of Changes in Equity

As of 31 December 2018

2018

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2018	597,490	597,490
Surplus for the year	112,761	112,761
Balance at 31 December 2018	710,251	710,251

2017

	Retained Earnings	Total
	\$	\$
Balance at 1 January 2017	548,985	548,985
Surplus for the year	48,505	48,505
Balance at 31 December 2017	597,490	597,490



Statement of Cash Flows

For the Year Ended 31 December 2018

	Note	2018 \$	2017 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		1,106,748	1,089,990
Payments to suppliers and employees		(896,707)	(942,746)
Interest received		11,296	9,827
Net cash provided by/ (used in) operating activities		<u>221,337</u>	<u>157,071</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of plant and equipment		<u>621,072</u>	-
Net cash provided by/ (used in) investing activities		<u>621,072</u>	-
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of borrowings		<u>(80)</u>	(43,907)
Net cash provided by/ (used in) financing activities		<u>(80)</u>	(43,907)
Net increase/(decrease) in cash and cash equivalents held		842,329	113,164
Cash and cash equivalents at beginning of year		791,993	678,829
Cash and cash equivalents at end of financial year	6	<u><u>1,634,322</u></u>	<u><u>791,993</u></u>



Notes to the Financial Statements

For the Year Ended 31 December 2018

The financial report covers Australian Acupuncture & Chinese Medicine Association Ltd as an individual entity. Australian Acupuncture & Chinese Medicine Association Ltd is a not-for-profit Company limited by guarantee, incorporated and domiciled in Australia.

The functional and presentation currency of Australian Acupuncture & Chinese Medicine Association Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on 8th March 2019.

Comparatives are consistent with prior years, unless otherwise stated.

1. Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001.

2. Summary of Significant Accounting Policies

(a) Income Tax

The Company is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

(b) Leases

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

(c) Revenue and other income

Revenue is recognised when the amount of the revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and specific criteria relating to the type of revenue as noted below, has been satisfied.

Revenue is measured at the fair value of the consideration received or receivable and is presented net of returns, discounts and rebates.

- Sale of goods

Revenue is recognised on transfer of goods to the customer as this is deemed to be the point in time when risks and rewards are transferred and there is no longer any ownership or effective control over the goods.

- Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year. Any prepaid memberships are recognised under liabilities on the statement of financial position

- Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

(d) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included 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 is classified as operating cash flows.

(e) Property, plant and equipment

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

Items of property, plant and equipment acquired for nil or nominal consideration have been recorded at the acquisition date fair value.



- **Plant and equipment**

Plant and equipment are measured using the cost model.

- **Depreciation**

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets' useful life to the Company, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Plant and Equipment	20% to 30%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(f) Financial instruments

For comparative year

Financial instruments are recognised initially using trade date accounting, i.e. on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

- **Impairment of Financial Assets**

At the end of the reporting period the Company assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired.

Financial assets at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate.

Impairment on loans and receivables is reduced through the use of an allowance accounts, all other impairment losses on financial assets at amortised cost are taken directly to the asset.

Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

(g) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(h) 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 wholly settled.

(i) Adoption of new and revised accounting standards

The Company has adopted all relevant standards which became effective for the first time at 31 December 2018, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

3. Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

- **Key estimates – provisions**

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.



4. Revenue and Other Income

- Revenue from continuing operations

	2018 \$	2017 \$
Sales revenue		
- product sales	23,116	21,406
- member subscriptions	<u>817,235</u>	<u>792,252</u>
	<u>840,351</u>	<u>813,658</u>
Finance income		
- interest received	<u>11,296</u>	9,827
Other revenue		
- AACMA related income	134,457	147,214
- Jing-Luo income	13,250	26,914
- state committee function income	47,841	48,170
- Journal income	274	1,964
- Others	<u>66,092</u>	<u>54,003</u>
	<u>261,914</u>	<u>278,265</u>
Total Revenue	<u><u>1,113,561</u></u>	<u><u>1,101,750</u></u>

	2018 \$	2017 \$
Other Income		
- net gain on disposal of property, plant and equipment	<u>63,716</u>	-
Total Revenue and Other Income	<u><u>1,177,277</u></u>	<u><u>1,101,750</u></u>



5. Result for the Year

The result for the year includes the following specific expenses:

	2018 \$	2017 \$
Other expenses:		
Employee benefits expense	500,840	453,980
Depreciation expense	14,823	15,491

6. Cash and Cash Equivalents

	2018 \$	2017 \$
Cash at bank and in hand	1,634,322	791,993
	<u>1,634,322</u>	<u>791,993</u>

7. Trade and Other Receivables

	2018 \$	2017 \$
CURRENT		
Deposits	8,800	-
GST receivable	256	4,739
Total current trade and other receivables	<u>9,056</u>	<u>4,739</u>

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

8. Property, plant and equipment

	2018 \$	2017 \$
LAND AND BUILDINGS		
At cost	-	557,357
Total Land	-	557,357
Total land and buildings	-	557,357
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	179,961	179,961
Accumulated depreciation	(176,891)	(162,068)
Total plant and equipment	3,070	17,893
Total property, plant and equipment	<u>3,070</u>	<u>575,250</u>



(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Land and Building \$	Plant and Equipment \$	Total \$
Year ended 31 December 2018			
Balance at the beginning of year	557,357	17,893	575,250
Disposal	(557,357)	-	(557,357)
Depreciation expense	-	(14,823)	(14,823)
Carrying amount at the end of the year	<u>-</u>	<u>3,070</u>	<u>3,070</u>

9. Other Assets

	2018 \$	2017 \$
CURRENT		
Prepayments	<u>11,979</u>	<u>9,451</u>

10. Trade and Other Payables

	2018 \$	2017 \$
Current		
Trade payables	79,234	52,172
Sundry payables and accrued expenses	98,554	5,250
	<u>177,788</u>	<u>57,422</u>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

11. Borrowings

	2018 \$	2017 \$
CURRENT		
Secured liabilities:		
Bank loans	-	80
Total current borrowings	<u>-</u>	<u>80</u>
Total borrowings	<u>-</u>	<u>80</u>



(a) Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans.

12. Provisions

	2018 \$	2017 \$
CURRENT		
Provision for make good	-	20,000

13. Other Financial Liabilities

	2018 \$	2017 \$
CURRENT		
Prepaid memberships	740,437	678,795

14. Employee Benefits

	2018 \$	2017 \$
Current liabilities		
Annual leave	29,952	27,646
	<u>29,952</u>	<u>27,646</u>

15. Leasing Commitments

(a) Operating leases

	2018 \$	2017 \$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	-	-
	<u>24,000</u>	<u>-</u>

Operating leases are in place for 1 year commencing 16 July 2018 and ending on 15 July 2019. There is an option to renew for a further 1 year.

16. Member's Guarantee

The Company is incorporated under the Corporations Act 2001 and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 100 each towards meeting any outstandings and obligations of the Company. At 31 December 2018 the number of members was 2,051 (2017: 1,934).



17. Key Management Personnel Remuneration

The total remuneration paid to key management personnel of the Company is \$49,680 (2017: \$ 46,798).

18. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2018 (31 December 2017: None).

19. Related Parties

(a) The Company's main related parties are as follows:

Key management personnel - refer to Note 17.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

20. Events after the end of the Reporting Period

The financial report was authorised for issue on 8th March 2019 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

21. Statutory Information

The registered office and principal place of business of the company is:

Australian Acupuncture & Chinese Medicine Association Ltd
Suite 1, 1990 Logan Road
Upper Mount Gravatt QLD 4211



The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 16, are in accordance with the Corporations Act 2001 and:

- a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
- b. give a true and fair view of the financial position as at 31 December 2018 and of the performance for the year ended on that date of the Company.

2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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



Director
Pinter, Rosemary



Director
Holland, Waveny

Dated this8th..... day ofMarch..... 2019



Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Acupuncture & Chinese Medicine Association Ltd (the Company), which comprises the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Directors 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 Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDIT SERVICES

Chartered Accountants



Jeremiah Thum
Director
Brisbane, QLD

Dated this 8th day of March 2019

