Australian College of Nursing Ltd
ABN 48 154 924 642

General purpose (RDR) financial report for the year ended 30 June 2019

Contents

Directors' report

Your Directors submit their report on Australian College of Nursing Ltd (the "Company") and the entities it controlled (collectively the "Group") for the year ended 30 June 2019.

Directors

The names, qualifications, experience and special responsibilities of the Directors in office at any time during, or since the end of the year are:

Names	Qualifications	Experience and special responsibilities
Christine Duffield	RN, BScN, MHP, FAICD, FAAN, FACN, PhD	Elected Director President and Chairperson Member Finance, Audit, Risk & Investment Committee
Carmen Morgan	RN, BN, MHSM, Infection Control Cert, Grad ICN Global NLP, FACN, GAICD	Elected Director Vice President Member Finance, Audit, Risk & Investment Committee Member Governance & Academic Studies Committee (from March 2018) (A/Chair from March 2019) Member ACN Foundation Advisory Committee
Leanne Smith	ENAP, Dip, Adv Dip Nursing, B.SocSc, Grad Cert MH, JP (Qual), FACN, Diploma of Governance	Elected Director Member Governance & Academic Studies Committee
Christopher Drummer	LLB, MBA (Exec), GAICD	Independent Director Member Finance, Audit, Risk & Investment Committee Member, Nominations and Selection Committee
Ross Lewin	B. Com. CA. F. Fin	Independent Director Member Finance, Audit, Risk & Investment Committee Chair, Nominations and Selection Committee
Linda Shields	MD (Research), PhD, MMedSci, BAppSci (Nursing), Centaur Fellow, FACN, CCYPN	Elected Director Member Governance & Academic Studies Committee (from March 2018 – Chair from August 2018 to March 2019) Chair, ACN Order of Australia Nominations Committee
David Plunkett	RN, Peri-Op Cert, MBA, FACN, GAICD	Elected Director Member Nominations and Selection Committee Member ACN Foundation Advisory Committee
Susanne Hawes	RN, MRNCert, BHlth Sc (Nursing), Grad Cert (Disability Nursing), EMBA, FACN	Elected Director Member Nominations and Selection Committee
Belynda Abbott	RN, BN, MHlthLdr, GradDipClinEd, FACN AAICD	Member Governance & Academic Studies Committee Member ACN Order of Australia Nominations Committee Member Nominations and Selections Committee

Directors' report (continued)

Principal activities

The principal activities of the Group during the financial year were to provide membership, professional and educational services to the nursing profession, health policy development and advocacy of the nursing profession.

There have been no significant changes in the nature of these activities during the year.

Objectives

The objectives for which the Australian College of Nursing Ltd is established are to cultivate and maintain the highest principles of nursing and healthcare by:

(a) facilitating the education and continuing professional development of nurses and other healthcare professionals;

(b) providing opportunity for and administering grants, trusts and awards to further nursing and health professional scholarship;

(c) contributing to a professional framework which enhances the practice and progression of nursing and healthcare nationally and internationally;

(d) initiating, encouraging and supporting research to seek solutions to issues and problems relevant to nursing and healthcare practice and the health of the community in general and taking action on such problems and issues;

(e) fostering and maintaining links with other nursing and allied organisations or relevant groups through co-operation or affiliation for the furtherance of any or all of the objects of the Company;

(f) acting in an advisory role and providing a consultative service on the process and outcomes of nursing and health policy development and research at National and State levels in order to improve the health care of the community; and

(g) doing all such things as are incidental or conducive to the attainment of all or any objectives of the Company.

The board of directors actively monitor the achievement of these objectives and the variety of strategies implemented to achieve them.

Operating results for the year

For the year ended 30 June 2019, the Group generated total revenue of $15,507,581 (2018: $13,728,171) and produced a surplus of $165,458 (2018: $466,428).

Significant changes in the state of affairs

During the year, the ACN Foundation was added as an additional Trust controlled by the Group and is consolidated into the Group’s results at 30 June 2019.

There have been no other significant changes in the state of affairs of the Group during the year.

Significant events after the reporting period

There have been no significant events occurring after reporting period which may affect either the Group's operations or results of those operations or the Group's state of affairs.

Likely developments and expected results

The Group will continue to meet its contractual commitments in the ensuing financial year.

Directors' report (continued)

Directors' benefits

During the financial year, no Director of the Company has received or become entitled to receive any benefit by reason of a contract made by the Parent entity or a related corporation with the Director or a firm of which the Director is a member, or with a company in which the Director has substantial interest.

Members' guarantee

In accordance with the Constitution, every member of the Company undertakes to contribute an amount limited to $20 per member in the event of the winding up of the Company during the time he/she is a member, or within one year thereafter.

Directors' meetings

	Board meetings	
Director	**Eligible**	**Attended**
Christine Duffield	6	5
Carmen Morgan	6	5
Leanne Smith	6	5
Christopher Drummer	6	6
Ross Lewin	6	5
Linda Shields	6	4
David Plunkett	6	5
Susanne Hawes	6	5
Belynda Abbott	6	6

Indemnification of auditor

To the extent permitted by law, the Company has agreed to indemnify its auditor, Ernst & Young (Australia), as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young (Australia) during or since the financial year.

Auditor's independence

The Directors received an independence declaration from the auditor of Australian College of Nursing Ltd. A copy has been included on page 5 of the report.

Signed in accordance with a resolution of the Directors.

CDuffield

Professor Christine Duffield FACN
President
Sydney
28 October 2019

Directors' declaration

In accordance with a resolution of the Directors of Australian College of Nursing Ltd, I state that:

In the opinion of the Directors:

(a) the financial statements and notes of the Group are in accordance with the *Corporations Act 2001* and the *Australian Charities* and *Not-for-Profits Commission Act 2012,* including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2019 and performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Corporations Regulations 2001* and the *Australian Charities* and *Not-for-Profits Commission Regulation 2013*;

(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.

Signed in accordance with a resolution of the Directors.

Professor Christine Duffield FACN
President
Sydney
28 October 2019

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Auditor's Independence Declaration to the Directors of Australian College of Nursing Ltd

As lead auditor for the audit of the financial report of Australian College of Nursing Ltd (the "Company") for the financial year ended 30 June 2019, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Australian College of Nursing Ltd and the entities it controlled during the financial year.

Ernst & Young

Ernst & Young

J Higgins

James Higgins
Partner
28 October 2019

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Independent Auditor's Report to the Members of Australian College of Nursing Ltd

Opinion

We have audited the the consolidated financial report of Australian College of Nursing Ltd (the "Company") and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows for the year then ended, 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 Group is in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

a) giving a true and fair view of the consolidated financial position of the Company as at 30 June 2019 and of its consolidated financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

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

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the 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 *Australian Charities and Not-for-Profits Commission Act 2012* 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 Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group 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 the 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment 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 Group'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 Group'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 Group 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.

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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.

Ernst & Young

Ernst & Young

J Higgins

James Higgins
Partner
Sydney
28 October 2019

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2019

	Notes	2019 $	2018 $
Revenue			
Operating revenue	4.1	14,750,928	12,846,453
Other income	4.1	536,658	665,326
Finance income	4.1	106,104	114,590
Trust funds - dividend income	4.1, 17	113,891	101,802
Total revenue		**15,507,581**	**13,728,171**
Expenses			
Depreciation and amortisation expense	4.2	(416,231)	(446,608)
Employee benefits expense	4.3	(7,947,809)	(7,165,978)
Administrative expenses		(4,734,784)	(4,157,307)
External service providers		(2,193,206)	(1,357,860)
Trust funds - expense	17	(50,093)	(133,990)
Total expenses		**(15,342,123)**	**(13,261,743)**
Surplus before tax		**165,458**	**466,428**
Income tax expense		-	-
Surplus after tax		**165,458**	**466,428**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Net gain on available-for-sale financial assets		-	461,259
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**-**	**461,259**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Net gain on equity instruments at fair value through other comprehensive income		267,321	-
Revaluation of land and building		629,000	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**896,321**	**-**
Other comprehensive income for the year		**896,321**	**461,259**
Total comprehensive income for the year		**1,061,779**	**927,687**

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 30 June 2019

	Notes	2019 $	2018 $
Assets			
Current assets			
Cash	5	6,109,074	5,410,164
Trade and other receivables	6	564,856	283,506
Other assets	7	603,890	1,056,838
Total current assets		7,277,820	6,750,508
Non-current assets			
Property, plant and equipment	8	4,027,931	3,573,143
Intangible asset	9	44,551	53,839
Financial assets	10	21,268,546	20,702,334
Total non-current assets		25,341,028	24,329,316
Total assets		**32,618,848**	**31,079,824**
Liabilities and funds			
Current liabilities			
Trade and other payables	11	1,670,016	1,555,132
Employee benefit liabilities	13	953,278	999,018
Deferred revenue	14	3,278,083	2,824,948
Total current liabilities		5,901,377	5,379,098
Non-current liabilities			
Provisions	12	250,000	250,000
Employee benefit liabilities	13	205,960	250,994
Total non-current liabilities		455,960	500,994
Total liabilities		**6,357,337**	**5,880,092**
Funds			
General fund		20,312,377	20,210,717
Reserves	15	4,036,915	3,140,594
Restricted fund		1,912,219	1,848,421
Total funds		**26,261,511**	**25,199,732**
Total liabilities and funds		**32,618,848**	**31,079,824**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in funds

For the year ended 30 June 2019

	General fund	Fair value reserve of financial assets at FVOCI (Note 15)	Available-for-sale reserve (Note 15)	Asset revaluation reserve (Note 15)	Restricted fund	Total funds
	$	$	$	$	$	$
At 1 July 2018	**20,210,717**	**-**	**(11,622)**	**3,152,216**	**1,848,421**	**25,199,732**
Effect of adoption of new accounting standards (Note 2.2)	-	(11,622)	11,622	-	-	-
At 1 July 2018 (restated)	**20,210,717**	**(11,622)**	**-**	**3,152,216**	**1,848,421**	**25,199,732**
Surplus for the year	101,660	-	-	-	63,798	165,458
Other comprehensive income	-	267,321	-	629,000	-	896,321
Total comprehensive income for the year	101,660	267,321	-	629,000	63,798	1,061,779
At 30 June 2019	**20,312,377**	**255,699**	**-**	**3,781,216**	**1,912,219**	**26,261,511**
At 1 July 2017	**19,712,101**	**-**	**(472,881)**	**3,152,216**	**1,880,609**	**24,272,045**
Surplus/(deficit) for the year	498,616	-	-	-	(32,188)	466,428
Other comprehensive income	-	-	461,259	-	-	461,259
Total comprehensive income/(loss) for the year	498,616	-	461,259	-	(32,188)	927,687
At 30 June 2018	**20,210,717**	**-**	**(11,622)**	**3,152,216**	**1,848,421**	**25,199,732**

The above consolidated statement of changes in funds should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 30 June 2019

	Note	2019 $	2018 $
Operating activities			
Receipts from customers		17,167,048	13,998,359
Payments to suppliers and employees		(16,341,511)	(14,266,159)
Interest received		106,104	114,590
Net cash flows from/(used in) operating activities		**931,641**	**(153,210)**
Investing activities			
Purchase of property, plant and equipment		(202,862)	(89,402)
Purchase of intangible assets		(29,869)	(4,792)
Net cash flows used in investing activities		**(232,731)**	**(94,194)**
Financing activities			
Net cash flows from financing activities		**-**	**-**
Net increase/(decrease) in cash and cash equivalents		698,910	(247,404)
Cash and cash equivalents at 1 July		5,410,164	5,657,568
Cash and cash equivalents at 30 June	5	**6,109,074**	**5,410,164**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

For the year ended 30 June 2019

1. Corporate information

The financial report of Australian College of Nursing Ltd as a consolidated entity consisting of Australian College of Nursing Ltd (the "Company") and its controlled entities (the "Group") for the year ended 30 June 2019 was authorised for issue in accordance with a resolution of the Directors on 28 October 2019.

The Australian College of Nursing Ltd is a not-for-profit public company limited by guarantee, was incorporated on 23 November 2011, commenced operations on 1 July 2012 and is domiciled in Australia. The Group is exempt from income tax.

In accordance with the constitution, every member of the Group undertakes to contribute an amount limited to $20 per member in the event of the winding up of the Group during the time he/she is a member, or within one year thereafter.

The registered office and principal place of business of the Group is 1 Napier Close, Deakin, ACT 2600.

The nature of the operations and principal activities of the Group are described in the Director's report.

2. Summary of significant accounting policies

2.1 Basis of preparation

Statement of compliance

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Charities and Not-for-Profits Commission Act 2012, Australian Accounting Standards - Reduced Disclosure Requirements and other authoritative pronouncements of the Australian Accounting Standards Board. The Group is a not-for-profit, public sector entity which is not publicly accountable. Therefore, the consolidated financial statements for the Group are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements (AASB - RDRs).

The financial report has been prepared on a historical cost basis, except for certain land and buildings and debt and equity financial instruments that have been measured at fair value.

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

Where necessary, comparatives have been reclassified to conform to current year classification.

2.2 Changes in accounting policies, disclosures, standards and interpretations

a) New and amended standards and interpretations

The Group applied AASB 9 *Financial Instruments* for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard are described below.

AASB 9 *Financial Instruments*

AASB 9 *Financial Instruments* replaces AASB 139 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Group has applied AASB 9 retrospectively, with the initial application date of 1 July 2018.

2. Summary of significant accounting policies (continued)

2.2 Changes in accounting policies, disclosures, standards and interpretations (continued)

a) New and amended standards and interpretations (continued)

AASB 9 *Financial Instruments (continued)*

The impact of the classification and measurement requirements of AASB 9 have been described below.

The Group continued measuring at fair value all financial assets previously held at fair value under AASB 139. The following are the changes in the classification of the Group's financial assets:

- Investments in listed equities, non-listed trust funds and debts instruments previously classified as *available-for-sale (AFS) financial assets* are now classified and measured as *financial instruments designated at fair value through other comprehensive income (FVOCI)*. The Group elected to classify irrevocably its listed equities, non-listed trust funds and debts instruments investments under this category as it intends to hold these investments for the foreseeable future. There were no impairment losses recognised in profit or loss for these investments in prior periods.

As a result of the change in classification of the Group's investments, the AFS reserve of $11,622 related to those investments that were previously presented under AFS reserve, was reclassified to fair value reserve of financial assets at FVOCI as at 1 July 2018.

b) Accounting Standards and Interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting year ended 30 June 2019. The Directors have not early adopted any of these new or amended standards or interpretations. The Directors are in the process of assessing the impact of the applications of AASB 15 *Revenue from Contracts with Customers* (effective 1 January 2019 for not-for-profit entities), AASB 1058 *Income of Not-For-Profit Entities* (effective 1 January 2019) and AASB 16 *Leases* (effective 1 January 2019) and its amendments to the extent relevant to the financial statements of the Group.

2.3 Significant accounting policies

a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and the seven trusts it controls, namely Sydney Metropolitan Teaching Hospitals Nursing Consortium (SMHNC), the Sul Stuart-Fraser Trust (SSFT), the M I Quicke Memorial Fund (MIQMF), the Victorical Research Fund (VRF), the Laura Saunderson Extended Care Nursing Fund (LSECNF), the National Research and Scholarship Fund (NRSF) and ACN Foundation (ACNF) (Note 17) as at 30 June of each year. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

2. Summary of significant accounting policies (continued)

2.3 Significant accounting policies (continued)

a) Basis of consolidation (continued)

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

b) Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within 12 months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period

The Group classifies all other liabilities as non-current.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

2. Summary of significant accounting policies (continued)

2.3 Significant accounting policies (continued)

c) Cash

Cash in the consolidated statement of financial position comprise cash at bank and on hand and cash held in Trust with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash as defined above.

d) Trade and other receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest rate (EIR) method. Trade receivables generally have 30-60 day terms.

For trade receivables, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

e) Fair value measurement

The Group measures financial assets such as investments in non-listed trust funds, and non-financial assets such as land and buildings, at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

f) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

2. Summary of significant accounting policies (continued)

2.3 Significant accounting policies (continued)

f) Financial assets (continued)

Initial recognition and measurement (continued)

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in the following category:

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

For interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under the other non-current financial assets. Upon derecogntion, the cumulative fair value changes recognised in OCI are recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

2. Summary of significant accounting policies (continued)

2.3 Significant accounting policies (continued)

f) Financial assets (continued)

Subsequent measurement (continued)

Financial assets designated at fair value through OCI (equity instruments) (continued)
The Group elected to classify irrevocably its investment in listed equities and non-listed trust funds under this category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

g) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Land and buildings are measured at fair value using the revaluation model, less accumulated depreciation on buildings. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

A revaluation surplus is recorded in OCI and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the consolidated statement of profit or loss and other comprehensive income, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation surplus.

Upon disposal or derecognition, any revaluation surplus relating to the particular assets being sold is transferred to retained earnings.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

-	Land	Not depreciated
-	Buildings	Over 40 years
-	Plant and equipment	4 to 20 years
-	Leasehold improvement	5 years

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

2. Summary of significant accounting policies (continued)

2.3 Significant accounting policies (continued)

g) Property, plant and equipment (continued)

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h) Intangible asset

Intangible asset acquired separately are measured on initial recognition at cost. Following initial recognition, intangible asset is carried at cost less any accumulated amortisation and accumulated impairment losses.

The Group's intangible asset is:

Software

The Group's acquired software is amortised on a straight line basis over five years.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss and other comprehensive income.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss and other comprehensive income when the asset is de-recognised.

i) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset (or assets), even if that asset is (or those assets are) not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

An operating lease is a lease other than a finance lease. Operating lease payments are recognised as an operating expense in the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the lease term.

j) Impairment of non-financial assets

At each reporting date, the Group assesses whether there is an indication that an asset may be impaired. Where an indicator of impairment exists or where annual impairment testing for an asset is required, the Group makes a formal estimate of the recoverable amount. An impairment loss is recognised for the amount by which the carrying amount of an asset exceeds recoverable amount, which is defined for not for profit entities as the higher of an asset's fair value less costs to sell or depreciated replacement cost. For the purpose of assessing impairment, assets are grouped at the level for which there are separately identifiable cash flows. An impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income.

2. Summary of significant accounting policies (continued)

2.3 Significant accounting policies (continued)

k) Trade and other payables

Trade and other payables are carried at amortised cost, and they are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Group. Due to their short term nature, they are not discounted. Trade payable amounts are unsecured and are usually paid within 30 days from recognition.

l) Provisions and employee benefit liabilities

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Make good provision

A provision has been made for the present value of anticipated costs of future restoration of leased premises. The provision includes future cost estimates associated with returning the premises to its original condition. The calculation of this provision requires assumptions such as expected lease expiry dates, and cost estimates. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision recognised for each leased premises is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the consolidated statement of financial position by adjusting both the expense or asset (if applicable) and provision.

Wages and salaries

Liabilities for wages and salaries, including non-monetary benefits expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave and annual leave

The Group does not expect its long service leave or annual leave benefits to be settled wholly within 12 months of each reporting date. The Group recognises a liability for long service leave measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

m) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

2. Summary of significant accounting policies (continued)

2.3 Significant accounting policies (continued)

m) Revenue recognition (continued)

The specific recognition criteria described below must also be met before revenue is recognised.

Scholarship administration fees

Fees received for administering scholarship funds on behalf of the Commonwealth Government are recognised over the period for which the contract applies.

Membership fees

Membership fees paid in full and in advance are deferred and recognised over the period to which they relate. Membership subscriptions paid by instalments are recognised as received.

Course fees

Course fees are recognised over the duration of the course commencing from the census date for each session. Course fees received in advance is recognised as deferred income.

Distributions from financial assets at fair value through profit or loss

Distributions from financial assets at fair value through profit or loss are recognised at fair value through the consolidated statement of profit or loss and other comprehensive income when received.

n) Finance income

Finance income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance and other income in the consolidated statement of profit or loss and other comprehensive income.

o) Income tax

The Group and its controlled entities are exempt from income tax in Australia under Division 50 of the Income Tax Assessment Act 1997. As specified by the Australian Taxation Office (ATO), the Group and its controlled entities complete an annual self-assessment to confirm the exemption.

(p) Goods and services tax (GST)

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

- When the GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When 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 consolidated statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

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

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Revaluation of land and buildings

The Group carries its land and buildings at fair value, with changes in fair value being recognised in the consolidated statement of profit or loss and other comprehensive income. Fair value is determined by reference to market-based evidence regarding the amount for which the asset could be exchanged between knowledgeable willing buyer and a knowledgeable willing seller in an arm’s length transaction. Fair value is also determined by direct reference to recent market transaction on arm’s length terms for land and buildings comparable in size and location to that held by the Group, and to market based yield for comparable properties.

Fair value measurement of financial instruments

When the fair values of financial instruments recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Changes in assumptions relating to market conditions could affect the reported fair value of financial instruments.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

4. Revenue and expenses

4.1 Revenue

	2019	2018
	$	$
Operating revenue		
Course fees	10,691,034	8,747,934
Revenue from member subscriptions	2,265,320	2,105,376
Scholarship administration fees	431,424	740,422
Events, advertising and sponsorships	1,363,150	1,252,721
	14,750,928	**12,846,453**
Other income		
Realised gain	-	11,828
Dividend income	370,905	611,945
Other income	165,753	41,553
	536,658	**665,326**
Finance income		
Interest income	**106,104**	**114,590**
Trust funds income		
Trust funds - dividend income	**113,891**	**101,802**
Total revenue	**15,507,581**	**13,728,171**

4.2 Depreciation and amortisation

	2019	2018
	$	$
Buildings	66,605	66,606
Plant and equipment	75,037	74,808
Leasehold improvements	235,432	235,431
Software	39,157	69,763
Total depreciation and amortisation of non-current assets	**416,231**	**446,608**

4.3 Employee benefits expense

	2019	2018
	$	$
Wages and salaries	6,960,832	6,351,476
Defined contribution superannuation expense	689,511	648,712
Workers' compensation insurance	87,082	76,518
Other personnel expense	210,384	89,272
Total employee benefits expense	**7,947,809**	**7,165,978**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

5. Cash

	2019	2018
	$	$
Cash at bank and on hand	**6,109,074**	**5,410,164**

The cash at bank contains an amount of $305,705 (2018: $333,000) which is a bank guarantee held in connection with the Parramatta office.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise as per above.

6. Trade and other receivables

	2019	2018
	$	$
Current		
Trade receivables	548,468	264,222
Goods and service tax recoverable	16,388	17,571
Other receivables - trust funds (Note 17)	-	1,713
	564,856	**283,506**

7. Other assets

	2019	2018
	$	$
Current		
Prepayments	603,082	625,914
Accrued revenue	-	417,584
Other assets	808	13,340
	603,890	**1,056,838**

8. Property, plant and equipment

	2019	2018
	$	$
Land and buildings		
At fair value	3,699,817	3,070,817
Accumulated depreciation	(199,817)	(133,212)
Net carrying amount	**3,500,000**	**2,937,605**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

8. Property, plant and equipment (continued)

	2019	2018
	$	$
Plant and equipment		
At cost	1,548,226	1,347,023
Accumulated depreciation	(1,245,263)	(1,171,885)
Net carrying amount	**302,963**	**175,138**
Leasehold improvements		
At cost	1,179,702	1,179,702
Accumulated depreciation	(954,734)	(719,302)
Net carrying amount	**224,968**	**460,400**
Total property, plant and equipment		
At fair value	3,699,817	3,070,817
At cost	2,727,928	2,526,725
	6,427,745	**5,597,542**
Accumulated depreciation	(2,399,814)	(2,024,399)
Net carrying amount	**4,027,931**	**3,573,143**

Reconciliation of carrying amounts at the beginning and the end of the year

	2019
	$
Land and buildings	
Balance at the beginning of the year - Net carrying amount	2,937,605
Revaluation surplus	629,000
Depreciation charge for the year	(66,605)
Balance at the end of the year - Net carrying amount	**3,500,000**
Plant and equipment	
Balance at the beginning of the year - Net carrying amount	175,138
Additions	202,862
Depreciation charge for the year	(75,037)
Balance at the end of the year - Net carrying amount	**302,963**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

8. Property, plant and equipment (continued)

Reconciliation of carrying amounts at the beginning and the end of the year (continued)

	2019
	$
Leasehold improvements	
Balance at the beginning of the year - Net carrying amount	460,400
Depreciation charge for the year	(235,432)
Balance at the end of the year - Net carrying amount	**224,968**
Total property, plant and equipment	
Balance at the beginning of the year - Net carrying amount	3,573,143
Additions	202,862
Revaluation surplus	629,000
Depreciation charge for the year	(377,074)
At 30 June	**4,027,931**

Revaluation

For the year ended 30 June 2019, the land and building in Canberra was valued by the Directors based on an external independent valuation by Collier International dated 30 June 2019. The 2019 valuation confirmed the appropriateness of the carrying value of the assets in financial statements with a revaluation increment of $629,000.

9. Intangible asset

	2019	2018
	$	$
Software		
At cost	455,763	425,894
Accumulated amortisation	(411,212)	(372,055)
Net carrying amount	**44,551**	**53,839**

Reconciliation of carrying amounts at the beginning and the end of the year

	2019
	$
Software	
Balance at the beginning of the year - Net carrying amount	53,839
Additions	29,869
Amortisation	(39,157)
Balance at the end of the year - Net carrying amount	**44,551**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

10. Financial assets

	2019	2018
	$	$
Financial assets at FVOCI		
Investments in listed equities, non-listed trust funds and debt instruments	**21,268,546**	**20,702,334**

11. Trade and other payables

	2019	2018
	$	$
Current		
Trade payables	592,972	541,323
Accrued expenses	912,942	877,737
Other payables and accruals	164,102	136,072
	1,670,016	**1,555,132**

12. Provisions

	2019	2018
	$	$
Non-current		
Make good provision	**250,000**	**250,000**

13. Employee benefit liabilities

	2019	2018
	$	$
Current		
Long service leave	456,602	493,684
Annual leave	496,676	505,334
	953,278	**999,018**
Non-current		
Long service leave	**205,960**	**250,994**

14. Deferred revenue

	2019	2018
	$	$
Current		
Deferred revenue - membership fees	581,658	544,746
Deferred revenue - other	436,368	273,229
Deferred revenue - education course fees	2,260,057	2,006,973
	3,278,083	**2,824,948**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

15. Reserves

	Fair value reserve of financial assets at FVOCI	Available-for-sale reserve	Asset revaluation reserve	Total
	$	$	$	$
At 1 July 2017	**-**	**(472,881)**	**3,152,216**	**2,679,335**
Unrealised net gain on available-for-sale financial asset	-	461,259	-	461,259
At 30 June 2018	**-**	**(11,622)**	**3,152,216**	**3,140,594**
Effect of adoption of new accounting standards (Note 2.2)	(11,622)	11,622	-	-
At 1 July 2018 (restated)	**(11,622)**	**-**	**3,152,216**	**3,140,594**
Unrealised net gain on available-for-sale financial asset	267,321	-	-	267,321
Movement in asset revaluation reserve	-	-	629,000	629,000
At 30 June 2019	**255,699**	**-**	**3,781,216**	**4,036,915**

Nature and purpose of reserves

Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements in the fair value of land and buildings to the extent that they offset each other.

Available-for-sale reserve and fair value reserve of financial assets at FVOCI

The available-for-sale reserve is used to record increments and decrements in the fair value of AFS financial assets to the extent that they offset each other. As a result of the adoption of AASB 9, the classification of the Group's investments, the available-for-sale reserve of $11,622 was reclassified to fair value reserve of financial assets at FVOCI as at 1 July 2018.

16. Scholarship assets and liabilities

	2019	2018
	$	$
Scholarship assets - cash and cash equivalents	10,762,060	10,875,885
Scholarship liabilities - future payments liability	(10,762,060)	(10,875,885)
Net assets	**-**	**-**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

16. Scholarship assets and liabilities (continued)

Reconciliation of carrying amounts at the beginning and end of the year

	2019	2018
	$	$
Opening cash held	10,875,885	16,001,658
Cash funds received from Commonwealth during the year	4,441,117	4,531,127
Cash funds provided to scholarship recipients during the year	(4,554,942)	(9,656,900)
Closing cash funds	**10,762,060**	**10,875,885**

The Group administers scholarship funds on behalf of the Commonwealth Government represented by the Department of Health and Ageing, the Nursing and Allied Health Scholarship and Support Scheme, the Aged Care Nursing Scholarships and the Puggy Hunter Memorial Scholarship Scheme.

These bank accounts are held in the the name of the Group but are not recorded on balance sheet. Cash held as at the reporting date is held in trust for the Commonwealth Government for recipients of scholarships. Any unspent funds are returned to the Commonwealth.

17. Trusts

The Directors in their capacity of being directors of RCNA and TCON are the trustees of the Sydney Metropolitan Teaching Hospitals Nursing Consortium (SMHNC), the Sul Stuart-Fraser Trust (SSFT), the M I Quicke Memorial Fund (MIQMF), the Victorian Research Fund (VRF), the Laura Saunderson Extended Care Nursing Fund (LSECNF), National Research and Scholarship Fund (NRSF), and the ACN Foundation (ACNF). The trusts are deemed controlled and are therefore consolidated into these financial statements.

	2019	2018
Financial Information	$	$
Assets		
Cash at bank	1,008	-
Financial assets	7,076,794	1,925,708
Other receivables	-	1,713
Total assets	**7,077,802**	**1,927,421**
Liabilities		
Trade and other payables	**(3,174)**	**(79,000)**
Net assets	**7,074,628**	**1,848,421**
Revenue		
Trust funds - income	5,113,891	101,802
Expenses		
Trust funds - expenses	(50,093)	(133,990)
Net surplus/(deficit)	**5,063,798**	**(32,188)**

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

18. Parent entity disclosure

	2019	2018
	$	$
Information relating to Australian College of Nursing Ltd (the "Parent"):		
Current assets	19,439,741	11,347,790
Non-current assets	14,755,948	683,490
Total assets	**34,195,689**	**12,031,280**
Current liabilities	34,230,292	12,135,802
Total liabilities	**34,230,292**	**12,135,802**
General fund	(124,577)	(104,522)
Reserves	89,974	-
Deficit funds	**(34,603)**	**(104,522)**
Deficit	**(20,055)**	**(464,205)**
Other comprehensive income		
Net gain on equity instruments at fair value through other comprehensive income	89,974	-
Other comprehensive income for the year	89,974	-
Total comprehensive income/(loss) for the year	**69,919**	**(464,205)**

For the year ended 30 June 2019 and 2018, the Parent entity holds the bank guarantee for the lease of the Parramatta office.

The Parent did not have any contingent liabilities as at 30 June 2019 (2018: none).

19. Related party disclosures

(a) Investment in controlled entities

Name	Country of incorporation	Membership interest	Carrying amount
Royal College of Nursing, Australia (RCNA)	Australia	100%	-
The College of Nursing (TCON)	Australia	100%	-

All of the above controlled entities are companies limited by guarantee. Australian College of Nursing Ltd is the sole member of each of these entities. Additionally, Australian College of Nursing Ltd controls the Trusts identified in Note 17.

Notes to the consolidated financial statements (continued)

For the year ended 30 June 2019

19. Related party disclosures (continued)

(b) Directors' compensation

Remuneration paid to Directors is limited to the reimbursement of direct out of pocket expenses associated with their holding of office. No other amounts are paid, payable, or otherwise made available to any Director in respect of the financial year.

The Directors of the Group who held office at any time during the financial year are set out in the Directors' report.

(c) Transactions with director-related entities

The Group did not have any transactions with director-related entities during the year.

(d) Key management personnel

The aggregate compensation of key management personnel of the Group is set out below:

	2019	2018
	$	$
Total compensation during the year	**972,149**	**954,574**

20. Commitments and contingencies

(a) Operating lease commitments - Group as lessee

Future minimum rentals payable under non-cancellable operating leases as at 30 June are as follows:

	2019	2018
	$	$
Within one year	490,412	495,738
After one year but not more than five years	121,590	595,378
	612,002	**1,091,116**

The commercial lease of the Parramatta office expires in June 2020. In September 2019, the Group entered into another commercial lease for the Parramatta building/office for 5 years that starts in July 2020. The Group had further entered into commercial leases for certain lines of equipment. These leases have an average life of two to five years with renewal terms included in the contracts. Renewals are at the option of the Group.

(b) Contingencies

The Group did not have any contingencies as at 30 June 2019 (2018: none).

21. Events after the reporting period

There have been no other significant events occurring after the reporting period which may affect either the Group's operations or results of those operations or the Group's state of affairs.