

**Remote Vocational  
Training Scheme Ltd**

ACN: 122 891 838

Financial Statements  
30 June 2015

# Remote Vocational Training Scheme Ltd

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# Remote Vocational Training Scheme Ltd

## Directors' report

The Directors present their report together with the financial statements of Remote Vocational Training Scheme Ltd (the Company) for the year ended 30 June 2015 and the auditor's report thereon.

### Directors

The Directors of the Company at any time during or since the financial year are:

Dr Ayman Shenouda  
*Appointed:* 15/10/2011  
*Occupation:* Medical Practitioner  
Chair

Dr Timothy Francis  
*Appointed:* 20/09/2013  
*Occupation:* Medical Practitioner  
Deputy Chair (September 2014 to current)

Dr Aniello Iannuzzi  
*Appointed:* 11/10/2010  
*Occupation:* Medical Practitioner

Dr Thomas Heaney  
*Appointed:* 05/10/2012  
*Occupation:* Medical Practitioner

Dr Thomas Doolan  
*Appointed:* 20/09/2013  
*Occupation:* Medical Practitioner  
Deputy Chair (until September 2014)

Dr Raymond Gadd  
*Appointed:* 20/09/2013  
*Occupation:* Medical Practitioner

Directors were in office from the beginning of the financial year until the date of this report, unless otherwise stated.

### Company secretary

Dr Patrick Giddings (Chief Executive Officer) was appointed to the position of Company Secretary on 28 March 2007 and continues to act in this capacity post year end.

### Principal activities

The Remote Vocational Training Scheme provides a vocational training program for medical practitioners in Aboriginal and Torres Strait Islander communities and remote and isolated communities throughout Australia.

The Company's short term and long term objectives are to:

- Provide high quality vocational training to doctors in rural and remote communities and Aboriginal Community Controlled Health Services throughout Australia; and
- Contribute to the recruitment and retention of doctors in these communities.

# Remote Vocational Training Scheme Ltd

## Directors' report (continued)

The Company achieves this through utilising funding provided by the Department of Health. The funding agreement with the Department of Health contains set strategic aims, key deliverables and key performance indicators, which are monitored by the Board on a regular basis.

### Indemnification and insurance of officers and auditors

#### Indemnification

The Company has agreed to indemnify its Directors and Officers in respect of liabilities that may arise from their position as directors and officers of the Company. The Company has not indemnified its auditors, Crowe Horwath.

#### Insurance premiums

The Company has paid insurance premiums of \$3,723 to insure its Directors and Officers in respect of liabilities that may arise from their position as Directors and Officers of the Company.

### Directors' meetings

The number of Directors' meetings and number of meetings attended by each of the Directors of the Company during the financial year are:

	Ordinary Board Meetings	
	No. of Meetings Attended	No. of Meetings Held*
Dr Ayman Shenouda	8	8
Dr Thomas Doolan	6	8
Dr Aniello Iannuzzi	8	8
Dr Thomas Heaney	7	8
Dr Timothy Francis	8	8
Dr Raymond Gadd	4	8

\* reflects the number of meetings held during the time the Director held office during the year.

### Review of operations

The net profit attributed to the entity for the year ended 30 June 2015 was nil (2014: \$2,200).

In December 2014 a funding contract variation (variation #4) was signed between the Department of Health (the Department) and the Company, extending the contract to 31 December 2016. The contract provides for the Company to provide training to registrars working in Aboriginal Community Control Health Services (ACCHS) as well as training to doctors in rural and remote communities throughout Australia.

# **Remote Vocational Training Scheme Ltd**

## **Directors' report (continued)**

### **Dividends**

The Company is a non-profit public company limited by guarantee and is prevented by its constitution from paying dividends.

### **State of affairs**

In the opinion of the Directors, there were no significant changes in the state of affairs that occurred during the financial year under review, not otherwise disclosed in this report or the financial statements.

### **Likely developments**

There are no significant likely developments not otherwise disclosed in this report.

### **Events subsequent to reporting date**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

### **Lead auditor's independence declaration**

The Lead auditor's independence declaration is set out on page 4 and forms part of the Directors' report for the financial year ended 30 June 2015.

### **Directors' benefits**

During or since the end of the financial year, no Director of the Company has received or become entitled to receive a benefit, other than a benefit or other related transactions disclosed in Note 13 and Note 14 of the general purpose financial statements by reason of a contract entered into by the Company with:

- a Director,
- a firm of which a Director is a member, or
- an entity in which a Director has a substantial financial interest.

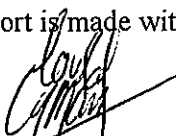
# Remote Vocational Training Scheme Ltd

## Directors' report (continued)

### Members Guarantee

The Company is limited by guarantee. If the Company is wound up, the Memorandum of Association states that every member of the Company undertakes to contribute an amount limited to \$10 per member in the event of winding up the Company during the time he or she is a member or within one year thereafter. As at 30 June 2015 the number of members was 113 (2014: 103 members).

This report is made with a resolution of the Directors:



**Ayman Shenouda**  
Chair



**Aniello Iannuzzi**  
Director

Dated at Albury this 19<sup>th</sup> day of August 2015.

## Lead auditor's independence declaration

To: The Directors of Remote Vocational Training Scheme Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2015 there has been:

- no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-Profits Commission Act 2012* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.



CROWE HORWATH ALBURY



**BRADLEY D BOHUN**  
Partner

Dated at Albury this 19<sup>th</sup> day of August 2015.

**Remote Vocational Training Scheme Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2015**

	Note	2015 \$	2014 \$
<i>Revenue:</i>			
Grant funding	2	4,777,421	4,358,631
Other non-DoH revenue		-	2,200
Financial income	4	33,197	31,794
<b>Total revenue</b>		<u>4,810,618</u>	<u>4,392,625</u>
<i>Expenses:</i>			
Registrar Costs		2,187,040	2,013,198
Registrar Locum Relief		94,593	80,993
Wages – Program Delivery	3	1,783,004	1,615,648
Quality Assurance		31,447	5,128
Travel – Program Delivery		64,014	86,110
Marketing and Advertising		41,675	28,561
Consumables		297,088	250,380
Wages - Administration	3	219,150	225,462
Board Expenses		59,927	52,998
Insurance		20,840	20,307
Audit Fees		11,840	11,640
<b>Total expenses</b>		<u>4,810,618</u>	<u>4,390,425</u>
<b>Result from operating activities</b>		<u>-</u>	<u>2,200</u>
<b>Profit before tax</b>		<u>-</u>	<u>2,200</u>
Income tax expense		-	-
<b>Profit for the year after tax</b>		<u>-</u>	<u>2,200</u>
<i>Other comprehensive income:</i>			
Other comprehensive income, net of income tax		-	-
<b>Total comprehensive income for the year</b>		<u>-</u>	<u>2,200</u>

The statement of profit or loss and other comprehensive income should be read in conjunction with the notes to and forming part of the financial statements as set out on pages 10 to 20.



**Remote Vocational Training Scheme Ltd**  
**Statement of changes in equity**  
**For the year ended 30 June 2015**

	2015 \$	2014 \$
Opening balance – retained earnings	71,538	69,338
Net income recognised directly in equity	-	-
Profit for the year	-	2,200
<b>Closing balance – retained earnings</b>	<u><u>71,538</u></u>	<u><u>71,538</u></u>

The statement of changes in equity should be read in conjunction with the notes to and forming part of the financial statements as set out on pages 10 to 20.

**Remote Vocational Training Scheme Ltd**  
**Statement of financial position**  
**As at 30 June 2015**

	Note	2015 \$	2014 \$
<b>Current assets</b>			
Cash and cash equivalents	5	2,022,542	1,521,090
Trade and other receivables	6	48	2,380
Other assets	7	180,694	160,859
<b>Total current assets</b>		<b>2,203,284</b>	<b>1,684,329</b>
<b>Non-current assets</b>			
Property, plant & equipment	8	72,693	43,297
<b>Total non-current assets</b>		<b>72,693</b>	<b>43,297</b>
<b>Total assets</b>		<b>2,275,977</b>	<b>1,727,626</b>
<b>Current liabilities</b>			
Trade and other payables	9	439,608	195,896
Grants in advance	10	1,571,745	1,294,666
Employee benefits	11	125,538	111,559
<b>Total current liabilities</b>		<b>2,136,891</b>	<b>1,602,121</b>
<b>Non-current liabilities</b>			
Employee benefits	11	67,548	53,967
<b>Total non-current liabilities</b>		<b>67,548</b>	<b>53,967</b>
<b>Total liabilities</b>		<b>2,204,439</b>	<b>1,656,088</b>
<b>Net assets</b>		<b>71,538</b>	<b>71,538</b>
<b>Equity</b>			
Retained earnings	12	71,538	71,538
<b>Total equity</b>		<b>71,538</b>	<b>71,538</b>

The statement of financial position should be read in conjunction with the notes to and forming part of the financial statements as set out on pages 10 to 20.

**Remote Vocational Training Scheme Ltd**  
**Statement of cash flows**  
**For the year ended 30 June 2015**

	Note	2015 \$	2014 \$
<b>Cash flows from operating activities</b>			
Cash receipts from government funding		5,559,950	4,779,393
Cash receipts from other non-DoHA revenue		-	2,420
Cash paid to suppliers and employees		(5,048,490)	(4,743,590)
Interest received		35,529	33,288
<b>Net cash from operating activities</b>	17	<b>546,989</b>	<b>71,511</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment		(45,537)	(1,840)
Proceeds from sale of property, plant and equipment		-	-
<b>Net cash from investing activities</b>		<b>(45,537)</b>	<b>(1,840)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>501,452</b>	<b>69,671</b>
<b>Cash at the beginning of the financial year</b>		<b>1,521,090</b>	<b>1,451,419</b>
<b>Cash at the end of the financial year</b>	5	<b>2,022,542</b>	<b>1,521,090</b>

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 10 to 20.

# **Remote Vocational Training Scheme Ltd**

## **Notes to and forming part of the financial statements**

### **For the year ended 30 June 2015**

#### **1. Significant accounting policies**

Remote Vocational Training Scheme Ltd ('the Company') is a Company domiciled in Australia.

The address of the Company's registered office is 491 Smollett Street, Albury, NSW. The business address of the Company is currently Suite 7, 539 Kiewa Street, Albury, NSW, 2640.

The financial statements were authorised for issue by the Directors on 19<sup>th</sup> August 2015.

The Company was incorporated on 28 November 2006 as a Company limited by Guarantee. In accordance with the Memorandum of Association and the Company, every member of the Company undertakes to contribute an amount limited to \$10 per member in the event of winding up the Company during the time he or she is a member or within one year thereafter. As at 30 June 2015 the number of members was 113 (2014: 103 members).

##### **(a) Statement of compliance**

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Australian Charities and Not-for-Profits Commission Act 2012*.

##### **(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following: Financial instruments at fair value through profit or loss are measured at fair value.

##### **(c) Functional and presentation currency**

These financial statements are presented in Australian dollars, which is the Company's functional currency.

##### **(d) Use of estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Notes 1(f) and 10.

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2015 (continued)**

**1. Significant accounting policies (continued)**

**(e) Not-For-Profit status**

Under AIFRS, there are requirements that apply specifically to not-for-profit entities that are not consistent with International Financial Reporting Standards (IFRS) requirements. The Company has analysed its purpose, objectives and operating philosophy and determined that it does not have profit generation as a prime objective. Consequently where appropriate the Company has elected to apply options and exemptions within AIFRS that are applicable to not-for-profit entities.

**(f) Revenue recognition**

***Grant revenue***

Revenues from grants and subsidies are recognised when received or due for receipt, unless there is a reciprocal right to those monies from external parties. Where there is a reciprocal transfer, AASB 118 *Revenue* applies, and unspent funds are held as income in advance as described in Note 10.

***Interest income***

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

***Asset sales***

The gain or loss on disposal of non-current asset sales are recognised at the date control passes to the buyer, usually when an unconditional contract of sale is signed.

The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of disposal and the net proceeds on disposal (including incidental costs).

**(g) Expenses**

***Operating lease payments***

Payments made under operating leases are recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the term of the lease.

**(h) Cash and cash equivalents**

Cash and cash equivalents comprises cash balances, at call deposits and other deposits with original maturities of three months or less. Where applicable, bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

**(i) Trade and other receivables**

Trade and other receivables are stated at their cost less impairment losses.



**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2015 (continued)**

**1. Significant accounting policies (continued)**

**(m) Impairment**

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

**(n) Income tax**

The Company is exempt from the payment of income tax.

**(o) Goods and services tax**

Revenues, 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). In these circumstances the GST is recognised as part of the cost of acquisition or as part of the item of the expense.

Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**(p) Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve 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 normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2015 (continued)**

**1. Significant accounting policies (continued)**

**(q) Segment reporting**

*AASB 114 Segment Reporting* states that it does not apply to general purpose financial statements of not-for-profit entities. The Directors of the Company have stated in Note 1(e) that the Company is a not-for-profit entity.

**(r) Financial income and expenses**

Finance income comprises interest income on funds invested and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

**(s) Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**(t) Comparatives**

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



**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2015 (continued)**

	2015 \$	2014 \$
<b>2. Revenue</b>		
Grant funding from Department of Health	4,777,421	4,358,631
Refer to Note 10 for details regarding income in advance requirements for this funding.		
<b>Reconciliation</b>		
Total grant funds received during the year (cash basis)	5,054,500	4,344,904
<i>add:</i> Opening income in advance	1,294,666	1,308,394
<i>less:</i> Closing income in advance	(1,571,745)	(1,294,667)
Total grant revenue (per above)	4,777,421	4,358,631
<b>3. Salaries and wages</b>		
Wages and salaries	1,806,691	1,648,892
Movement in employee leave entitlements	27,560	40,056
Superannuation	167,903	152,162
	2,002,154	1,841,110
Represented in Statement of profit or loss and other comprehensive income as Wages – Program Delivery and Wages - Administration.		
<b>4. Net financing income</b>		
Interest income	33,197	31,794
Bank fees	(1,602)	(1,684)
Net financing income	31,595	30,110
Bank fees are included in ‘Consumables’ within the Statement of profit or loss and other comprehensive income.		
<b>5. Cash and cash equivalents</b>		
Cash at bank – Department of Health funds	1,939,006	1,437,769
Cash at bank – other funds	71,457	71,537
Term deposit	12,079	11,784
	2,022,542	1,521,090

The term deposit is held to offset a security deposit guarantee of \$10,500, in regards to the lease agreement of the Company’s current office. The favouree of the security deposit guarantee is the lessor (Alessi Australia Pty Ltd), and the amount is equivalent to 3 months rent.

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2015 (continued)**

	2015 \$	2014 \$
<b>6. Trade and other receivables</b>		
Accrued interest	48	2,380
	48	2,380
<b>7. Other assets</b>		
Prepayments	180,694	160,859
	180,694	160,859
<b>8. Property, plant &amp; equipment</b>		
<b>Office equipment</b>		
Cost	159,051	113,516
Accumulated depreciation	(86,358)	(70,219)
	72,693	43,297
<b>Reconciliation</b>		
Opening written down value	43,297	57,700
Additions	45,537	1,840
Disposals	-	-
Depreciation	(16,141)	(16,243)
Closing written down value	72,693	43,297
<p>At 30 June 2015 there were three assets which were purchased with money from The Royal Australian College of General Practitioners and were not purchased with funding provided by the Department of Health. These totalled \$2,188 at cost, and had a carrying value of \$1,024 (2014: \$1,122) at balance date, and are included in the above closing written down value.</p>		
<b>9. Trade and other payables</b>		
Trade payables	249,440	68,351
Other payables and accruals	190,168	127,545
	439,608	195,896

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2015 (continued)**

	2015 \$	2014 \$
<b>10. Grants in advance</b>		
Income in advance - Department of Health	<u>1,571,745</u>	<u>1,294,666</u>
	<u>1,571,745</u>	<u>1,294,666</u>

As stated in Note 1, the Company is a not for profit entity for the purposes of AIFRS. The Company receives government funding from the Department of Health, which is deemed to be a reciprocal transfer under AASB 118 *Revenue*. On this basis, unspent funds are held as income in advance (unless formally agreed otherwise). Should repayment to the Department of Health be required, the solvency of the organisation is not impacted as the Company holds these funds as deferred income.

The current funding agreement is expiring on 31 December 2016, following the latest variation extension entered into in December 2014 (variation #4). All carried forward funds from the previous period must be spent in accordance with the agreement and therefore are treated as a reciprocal transfer.

In the current variation, the Department of Health agreed for the Company to retain a maximum of 90 days funding for the purpose of covering current liabilities, comprised of previously unspent funds. The provision for liability coverage amount at the end of 30 June 2015 is \$1,246,315 (excluding GST), and is included within the income in advance amount noted above.

The Company continues to negotiate with the Department of Health with regards to further extensions of the funding agreement.

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2015 (continued)**

	2015 \$	2014 \$
<b>11. Employee benefits</b>		
<i>Current</i>		
Annual leave	125,538	111,559
	125,538	111,559
<i>Non current</i>		
Long Service Leave	67,548	53,967
	67,548	53,967
<b>12. Retained earnings</b>		
Opening retained profit	71,538	69,338
Profit attributable to the entity for the period	-	2,200
Retained profits at 30 June	71,538	71,538

**13. Key management personnel disclosures**

**Key management personnel compensation**

The key management personnel compensation included in 'wages' and 'Board Expenses' (see Statement of profit or loss and other comprehensive income) are as follows:

Short-term employee benefits	254,694	249,003
Post employment benefits	17,826	16,447
Termination benefits	-	-
Other long term benefits	4,230	3,985
	276,750	269,435

Remuneration is paid to directors for attendance at board meetings.

The following were key management personnel of the Company at any time during the reporting year, and unless otherwise indicated were key management personnel for the entire year:

**Directors**

The names of each person holding the position of Director of Remote Vocational Training Scheme Ltd during the financial year are:

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Dr Ayman Shenouda</li> <li>• Dr Timothy Francis</li> <li>• Dr Thomas Doolan</li> <li>• Dr Aniello Iannuzzi</li> <li>• Dr Thomas Heaney</li> <li>• Dr Raymond Gadd</li> </ul> | <p><i>Chair</i></p> <p><i>Deputy Chair (from September 2014 to current)</i></p> <p><i>Deputy Chair (until September 2014)</i></p> |
|---|---|

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2015 (continued)**

**14. Related parties**

Dr Tom Doolan and Dr Thomas Heaney are Directors, as well as supervisors in the program. Separate agreements are in place for their roles as supervisor.

Dr Ayman Shenouda is also a Director of The Royal Australian College of General Practitioners ('RACGP'), of which the Company has had previous transactions with as described in Note 8. During the 2015 financial year, the Company also paid \$25,750 (excluding GST) to RACGP for the reimbursement of expenses incurred during the Bi-College accreditation of the Company. This was on commercial terms and conditions, and is included within the 'Quality Assurance' expense within the Statement of profit or loss and other comprehensive income

Apart from the details disclosed in this note, no Director has entered into a material contract with the Company since the end of the previous financial year and there were no material contracts involving Directors' interests at year end.

*Executives*

Dr Patrick Giddings – Chief Executive Officer and Company Secretary.

**15. Statutory status and constitution**

The Company was incorporated as a public Company limited by Guarantee on 28 November 2006.

**16. Superannuation**

The Company contributes to employees' superannuation plans in accordance with the Superannuation Guarantee Contribution legislation.

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2015 (continued)**

	2015	2014
	\$	\$
<b>17. Reconciliation of cash flows from operating activities</b>		
<b>Cash flows from operating activities</b>		
Profit/(loss) for the year	-	2,200
<i>Adjustments for:</i>		
Depreciation and amortisation	16,141	16,243
(Gain)/loss on disposal of plant equipment	-	-
<b>Operating profit before changes in working capital and provisions</b>	16,141	18,443
(Increase)/decrease in trade and other receivables	2,332	(1,494)
(Increase)/decrease in other assets	(19,835)	(57,280)
Increase/(decrease) in grants in advance	277,079	(13,728)
Increase/(decrease) in employee benefits	27,560	(40,057)
Increase/(decrease) in trade and other payables	243,712	82,525
<b>Net cash from operating activities</b>	546,989	71,511

**18. Subsequent events**

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.

**19. Economic dependency**

The Company is economically dependent on government funding, specifically funding received from the Department of Health (the Department). The current funding agreement is expiring on 31 December 2016, following the latest variation extension entered into in December 2014 (variation #4).

At the date of this report, the Board of Directors has no reason to believe the Department will not continue to support the Company.

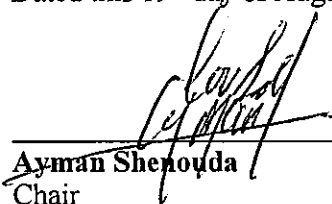
## Remote Vocational Training Scheme Ltd Directors' declaration

The directors of Remote Vocational Training Scheme Ltd declare that:

- A. the financial statements and notes as set out on pages 6 to 20, are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012* including:
  - a. giving a true and fair view of the financial position of the Company as at 30 June 2015, and of its performance, as represented by the results of its operations and its cash flows for the financial year ended 30 June 2015; and
  - b. complying with Australia Accounting Standards – Reduced Disclosure Regime.
- B. 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 directors made pursuant to the *Australian Charities and Not-for-Profits Commission Act 2012*.

Dated this 19<sup>th</sup> day of August 2015.

  
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**Ayman Sherouda**  
Chair

  
\_\_\_\_\_  
**Aniello Iannuzzi**  
Director

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REMOTE VOCATIONAL TRAINING SCHEME LTD**

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of Remote Vocational Training Scheme Ltd ("the Company"), which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

#### *Directors' responsibility for the financial statements*

The directors of the Company are responsible for the preparation of the financial statements that give 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 controls as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.


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



## AUDITOR'S OPINION

In our opinion, the financial statements of Remote Vocational Training Scheme Ltd are in accordance with the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- (i) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not-for-Profits Commission Act 2012*.



**CROWE HORWATH ALBURY**



**BRADLEY D BOHUN**  
Partner

Dated at Albury this 19<sup>th</sup> day of August 2015.