

# **Remote Vocational Training Scheme Ltd**

ACN: 122 891 838

Financial Statements  
30 June 2023

# Remote Vocational Training Scheme Ltd

<b><u>Contents</u></b>	<b>Page</b>
Directors' Report	1
Lead Auditor's independence declaration	5
Statement of profit or loss and other comprehensive income	6
Statement of changes in equity	7
Statement of financial position	8
Statement of cash flows	9
Notes to and forming part of the financial statements	10
Directors' declaration	24
Independent Auditor's report	25

# 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 2023 and the auditor's report thereon.

### Directors

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

Dr. David Moniz  
*Appointed: 23/09/2021*  
*Occupation: Medical Practitioner*  
Chair

Dr Rodney Omond  
*Appointed: 15/09/2017*  
*Occupation: Medical Practitioner*

Dr Sanjaya Kapuwatte  
*Appointed: 23/09/2021*  
*Occupation: Medical Practitioner*

Dr Vladislav Matic  
*Appointed: 30/09/2016*  
*Resigned: 18/10/2022*  
*Occupation: Medical Practitioner*

Dr Jacki Mein  
*Appointed: 02/10/2018*  
*Occupation: Medical Practitioner*  
Deputy Chair

Dr Ross Wilson  
*Appointed: 22/06/2019*  
*Occupation: Medical Practitioner*

Dr Merran Auland  
*Appointed: 18/10/2022*  
*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 (the 'Core Program');
- Contribute to the recruitment and retention of doctors in these communities; and
- To extend the targeted recruitment pilot by providing salary support for up to 10 registrars, as a means to test a salaried model as a mechanism for attracting doctors to work in hard to fill locations (the 'Salary Support Program').

# 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.

#### Insurance premiums

The Company has paid insurance premiums of \$5,064 (2022: \$4,749) 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 (ordinary board and annual general meetings) attended by each of the Directors of the Company during the financial year are:

	No. of Meetings Attended	No. of Meetings Held*
Dr David Moniz	4	6
Dr Jacki Mein	6	6
Dr Vladislav Matic ( <i>Resigned 18/10/2022</i> )	1	1
Dr Merran Auland ( <i>Appointed 18/10/2022</i> )	5	5
Dr Rodney Omond	6	6
Dr Ross Wilson	4	6
Dr Sanjaya Kapuwatte	3	6

\* 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 2023 was \$623,701 (2022: \$698,859).

In November 2021 a Deed of Variation to the current funding contract was signed between the Department of Health (the Department) and the Company, which extended the Core Program funding until 31 December 2024. There were no changes to the Department funding contract during the 2023 financial year.

# 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 5 and forms part of the Directors' report for the financial year ended 30 June 2023.

### 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 17 and Note 18 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

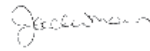
The Company is limited by guarantee. If the Company is wound up, the Memorandum of Association states that every member of the Company undertakes to contribute an amount limited to \$10 per member in the event of winding up the Company during the time he or she is a member or within one year thereafter. As at 30 June 2023 the number of members was 225 (2022: 204 members).

This report is made with a resolution of the Directors:



---

Director



---

Director

Dated this 23rd day of August 2023.



**Crowe Albury**  
ABN 16 673 023 918  
491 Smollett Street  
Albury NSW 2640 Australia  
  
PO Box 500  
Albury NSW 2640 Australia  
  
Main 02 6021 1111  
Fax 02 6041 1892  
[www.crowe.com.au](http://www.crowe.com.au)

## **Lead auditor's independence declaration under 60-40 of the *Australian Charities and Not-for-profit Commission Act 2012***

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 2023 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 ALBURY**

**BRADLEY D BOHUN**  
Partner

Dated this 23rd day of August 2023.

*Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.*

*Some of the Crowe personnel involved in preparing this report may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation to Crowe's personnel involved in preparing this report, please speak to your Crowe adviser.*

*Liability limited by a scheme approved under Professional Standards Legislation.*

*The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.*

© 2023 Findex (Aust) Pty Ltd

**Remote Vocational Training Scheme Ltd**  
**Statement of profit or loss and other comprehensive income**  
**for the year ended 30 June 2023**

	Note	2023 \$	2022 \$
<i>Revenue and income:</i>			
Grant funding - DoH	2	8,185,170	5,756,968
Other non-DoH revenue and income	3	1,075,690	1,011,133
Interest income		86,363	998
Total revenue and income		9,347,223	6,769,099
<i>Expenses:</i>			
Registrar costs		3,566,886	1,702,990
Registrar locum relief		27,618	7,188
Wages - program delivery	4	2,820,564	2,606,544
Quality assurance		125,476	120,336
Travel - program delivery		46,321	11,136
Marketing and advertising		161,658	110,315
Consumables		1,391,462	1,034,641
Wages - administration	4	419,125	358,861
Board expenses		77,921	44,800
Insurance		51,798	48,153
Audit fees		18,840	16,800
Interest expense - lease liabilities		15,853	8,476
Total expenses		8,723,522	6,070,240
<b>Profit before tax</b>		<b>623,701</b>	<b>698,859</b>
Income tax expense		-	-
<b>Profit for the year after tax</b>		<b>623,701</b>	<b>698,859</b>
<i>Other comprehensive income:</i>			
Other comprehensive income, net of income tax		-	-
<b>Total comprehensive income for the year</b>		<b>623,701</b>	<b>698,859</b>

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 23.



**Remote Vocational Training Scheme Ltd**  
**Statement of changes in equity**  
**for the year ended 30 June 2023**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Opening balance – retained earnings	1,275,112	576,253
Profit for the year	623,701	698,859
<b>Closing balance – retained earnings</b>	<b><u>1,898,813</u></b>	<b><u>1,275,112</u></b>

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 23.

**Remote Vocational Training Scheme Ltd**  
**Statement of financial position**  
**as at 30 June 2023**

	Note	2023 \$	2022 \$
<b>Current assets</b>			
Cash and cash equivalents	5	8,013,859	10,596,817
Investments	6	1,500,000	-
Trade and other receivables	7	5,500	9,658
Other assets	8	472,836	346,761
<b>Total current assets</b>		<b>9,992,195</b>	<b>10,953,236</b>
<b>Non-current assets</b>			
Other assets	8	37,977	37,977
Property, plant & equipment	9	483,176	281,609
Right-of-use asset	13	299,048	469,365
<b>Total non-current assets</b>		<b>820,201</b>	<b>788,951</b>
<b>Total assets</b>		<b>10,812,396</b>	<b>11,742,187</b>
<b>Current liabilities</b>			
Trade and other payables	10	226,154	474,593
Contract liabilities	11	7,632,080	8,828,250
Employee benefits	12	631,228	571,560
Lease liabilities	13	186,022	167,029
<b>Total current liabilities</b>		<b>8,675,484</b>	<b>10,041,432</b>
<b>Non-current liabilities</b>			
Employee benefits	12	82,029	101,166
Lease liabilities	13	96,070	264,477
Other provisions		60,000	60,000
<b>Total non-current liabilities</b>		<b>238,099</b>	<b>425,643</b>
<b>Total liabilities</b>		<b>8,913,583</b>	<b>10,467,075</b>
<b>Net assets</b>		<b>1,898,813</b>	<b>1,275,112</b>
<b>Equity</b>			
Retained earnings		1,898,813	1,275,112
<b>Total equity</b>		<b>1,898,813</b>	<b>1,275,112</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 23.

**Remote Vocational Training Scheme Ltd**  
**Statement of cash flows**  
**for the year ended 30 June 2023**

	Note	2023 \$	2022 \$
<b>Cash flows from operating activities</b>			
Cash receipts from government funding		7,687,900	7,559,200
Cash receipts from other non-DoH sources		1,187,417	1,287,368
Cash paid to suppliers and employees		(9,560,346)	(6,872,607)
Interest paid		(15,853)	(8,476)
Interest received		86,363	998
<b>Net cash provided by/(used in) operating activities</b>	14	<b>(614,519)</b>	<b>1,966,483</b>
<b>Cash flows from investing activities</b>			
Acquisition of investment		(1,500,000)	-
Acquisition of property, plant and equipment		(295,847)	(137,558)
Proceeds from sale of property, plant and equipment		-	863
<b>Net cash used in investing activities</b>		<b>(1,795,847)</b>	<b>(136,695)</b>
<b>Cash flows from financing activities</b>			
Repayment of the lease liabilities		(172,592)	(56,086)
<b>Net cash used in financing activities</b>		<b>(172,592)</b>	<b>(56,086)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(2,582,958)</b>	<b>1,773,702</b>
<b>Cash at the beginning of the financial year</b>		<b>10,596,817</b>	<b>8,823,115</b>
<b>Cash at the end of the financial year</b>	5	<b>8,013,859</b>	<b>10,596,817</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 23.

# **Remote Vocational Training Scheme Ltd**

## **Notes to and forming part of the financial statements for the year ended 30 June 2023**

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

Remote Vocational Training Scheme Ltd ('the Company') is a Company domiciled in Australia. The Company was incorporated as a public Company limited by Guarantee on 28 November 2006.

The address of the Company's registered office and business address is Suite 4, 549 Kiewa Street, Albury, NSW.

The financial statements were authorised for issue by the Directors on 23 August 2023.

The Company was incorporated on 28 November 2006 as a Company limited by Guarantee. In accordance with the Memorandum of Association of 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 2023 the number of members was 225 (2022: 204 members).

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

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures 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 an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### **(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.

# **Remote Vocational Training Scheme Ltd**

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

### **for the year ended 30 June 2023 (continued)**

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

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

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 below and in the referenced notes (where applicable):

*Key estimates:*

- Note 1(j) – assessment of useful lives in the depreciation of office equipment and leasehold improvements;
- Note 1(m) – estimations used in the long service leave calculation; and
- Note 1(k) – assessment of lease term and determination of the appropriate discount rate.

*Key judgments:*

- Note 1(f) – assessment of grant income:  
For many of the grant agreements received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the Company, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions. Grants received by the Company have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made.  
If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements.

##### **(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 and income recognition**

***Operating grant funding – under AASB 15***

Where grant or contribution income arises from an agreement which is enforceable and contains sufficiently specific performance obligations, then the revenue is recognised when control of each performance obligation is satisfied in accordance with AASB 15 *Revenue from Contracts with Customers*.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate method to reflect the transfer of benefit. Income in advance amounts are held as contract liabilities as described in Note 11.

# Remote Vocational Training Scheme Ltd

## Notes to and forming part of the financial statements for the year ended 30 June 2023 (continued)

### 1. Significant accounting policies (continued)

#### (f) Revenue and income recognition (continued)

##### *Operating grant funding – under AASB 1058*

Revenue in the scope of AASB 1058 *Income for Not-for-Profit Entities* is recognised on receipt unless it relates to a capital grant which satisfies certain criteria, in this case the grant is recognised as the asset is acquired or constructed.

##### *Other revenue*

Other revenue is recognised when it is received or when the right to receive payment is established.

##### *Interest income*

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

#### (g) 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.

#### (h) Investments

Term deposits with an original maturity of over three months are classified as investments. Investments are held at amortised cost.

#### (i) Trade and other receivables

Trade and other receivables are stated at their cost less any allowance for expected credit losses.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure expected credit losses, accounts receivable and other debtors have been grouped based on days overdue.

#### (j) Property, plant and equipment

##### *Owned assets*

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

##### *Depreciation and amortisation*

Items of property, plant and equipment are depreciated over their estimated useful lives from the date of acquisition. All property, plant and equipment are depreciated using either the diminishing value or straight-line method depending on the pattern of consumption.

Estimated useful lives for the current and comparative years are as follows:

- Office and other equipment 2 - 13 years
- Leasehold improvements over lease term

# **Remote Vocational Training Scheme Ltd**

## **Notes to and forming part of the financial statements for the year ended 30 June 2023 (continued)**

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

#### **(k) Leases**

At inception of a contract, the Company assesses whether a lease exists.

##### *Lessee accounting*

The non-lease components included in the lease agreement have not been separated and are recognised in the lease liability. The Company has chosen not to apply AASB 16 *Leases* to leases of intangible assets.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of non-financial assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or the remeasurement is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

##### *Exceptions to lease accounting*

The Company has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Company recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

# **Remote Vocational Training Scheme Ltd**

## **Notes to and forming part of the financial statements for the year ended 30 June 2023 (continued)**

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

#### **(l) Trade and other payables and contract liabilities**

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. They are non-interest bearing and are normally settled within 30-day terms.

Contract liabilities (i.e. income in advance) generally represent the unspent grant monies received on the condition that specified services are delivered or conditions are fulfilled.

#### **(m) Employee benefits**

##### ***Short-term employee benefits***

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

##### ***Other long-term employee benefits***

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is 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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### ***Defined contribution schemes***

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

#### **(n) Impairment of non-financial assets**

The carrying amounts of the Company's non-financial 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.

#### **(o) Income tax**

The Company is exempt from the payment of income tax.



# **Remote Vocational Training Scheme Ltd**

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

### **for the year ended 30 June 2023 (continued)**

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

##### **(p) 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 statement of financial position.

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.

##### **(q) 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 the 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 the 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.

##### **(r) 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.

##### **(s) Comparatives**

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

##### **(t) New accounting standards adopted**

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period,

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**for the year ended 30 June 2023 (continued)**

	2023	2022
	\$	\$

**2. Revenue – grant funding**

Grant funding from Department of Health ('DoH')	8,185,170	5,756,968
---	-----------	-----------

This Department of Health grant funding is recognised in accordance with AASB 15 *Revenue from Contracts with Customers*, and is for the provision of services across Australia which is recognised over-time.

Refer to Note 11 for details regarding contract liability requirements for this funding.

***Reconciliation***

Total grant funds received during the year (cash basis, excluding GST)	6,989,000	6,872,000
<i>add:</i> Opening contract liabilities	8,828,250	7,713,218
<i>less:</i> Closing contract liabilities	(7,632,080)	(8,828,250)
Total grant revenue (per above)	8,185,170	5,756,968

**3. Other non-DoH revenue & income**

Practice Experience Program ('PEP') income	1,008,000	942,000
Other revenue	67,690	69,133
	1,075,690	1,011,133

The income from the PEP agreement with The Royal Australian College of General Practitioners ('RACGP') is recognised in accordance with AASB 1058 *Income of Not-for-Profit Entities*.

**4. Salaries and wages**

Wages and salaries	2,906,581	2,585,267
Movement in employee leave entitlements	40,531	128,525
Superannuation (defined contribution)	292,577	251,613
	3,239,689	2,965,405

Represented in Statement of profit or loss and other comprehensive income as Wages – Program Delivery and Wages - Administration.

**5. Cash and cash equivalents**

Cash at bank – Department of Health funds	7,803,677	10,388,497
Term deposit – other funds	192,786	191,070
Term deposit - other	17,396	17,250
	8,013,859	10,596,817

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**for the year ended 30 June 2023 (continued)**

	2023	2022
	\$	\$
<b>6. Investments</b>		
Term deposit – 9 months	1,500,000	-
	<u>1,500,000</u>	<u>-</u>
<b>7. Trade and other receivables</b>		
Accounts receivable	5,500	9,658
	<u>5,500</u>	<u>9,658</u>
<b>8. Other assets</b>		
<i>Current</i>		
Prepayments	182,314	178,003
Deposits	290,522	168,758
	<u>472,836</u>	<u>346,761</u>
<i>Non current</i>		
Bonds	37,977	37,977
	<u>37,977</u>	<u>37,977</u>
<b>9. Property, plant &amp; equipment</b>		
<i>Office equipment</i>		
Cost	718,867	670,858
Accumulated depreciation	(558,478)	(493,364)
	<u>160,389</u>	<u>177,494</u>
<i>Leasehold Improvement</i>		
Cost	344,374	104,115
Accumulated depreciation	(21,587)	-
	<u>322,787</u>	<u>104,115</u>
<b>Total</b>	<u>483,176</u>	<u>281,609</u>
<i>Reconciliation</i>		
Opening written down value	281,609	241,078
Additions	295,846	137,558
Disposals	-	(733)
Depreciation	(94,279)	(96,294)
Closing written down value	<u>483,176</u>	<u>281,609</u>

The Company has no capital commitments for the acquisition of property, plant and equipment as at 30 June 2023 (2022: nil).

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**For the year ended 30 June 2023 (continued)**

<b>10. Trade and other payables</b>	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Trade payables	37,877	198,787
Other payables and accruals	188,277	275,806
	<u>226,154</u>	<u>474,593</u>

**11. Contract liabilities**

Department of Health - Income in advance – approved carried forward regarding office relocation / refit	18,893	301,114
Department of Health - Income in advance - carried forward unspent funds from Core Program	1,340,963	1,592,619
Department of Health - Income in advance - carried forward unspent funds from Salary Support Program	6,272,224	6,934,517
	<u>7,632,080</u>	<u>8,828,250</u>

The Company receives government funding from the Department of Health, which specifies a single performance obligation that is delivered over time under AASB 15 *Revenue from Contracts with Customers*. On this basis, unspent funds are held as a contract liability. Should repayment to the Department of Health be required, the solvency of the organisation is not impacted as the Company holds these funds as contract liabilities. Refer to Note 1(f), Note 1(l) and Note 2 for further details on the revenue recognition of the Department of Health funding.

All carried forward funds from the previous period must be spent in accordance with the agreement and therefore are treated as contract liabilities.

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**for the year ended 30 June 2023 (continued)**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>12. Employee benefits</b>		
<i>Current</i>		
Annual leave, time in lieu and study leave	414,144	397,473
Long service leave	217,084	174,087
	631,228	571,560
<i>Non current</i>		
Long Service Leave	82,029	101,166
	82,029	101,166

**13. Leases**

**Company as a lessee**

*Nature of the leasing activities*

The Company is party to one lease agreement that is for the Company's right of use of an office suite on Kiewa Street in Albury, NSW.

*Terms and conditions of leases*

The current office suite lease agreement:

- Commenced on 1 February 2022, with a finish date of 31 December 2024. Prior to this lease agreement, the Company was on a short-term lease arrangement for a different office suite in Albury, NSW;
- Contains an annual pricing mechanism based on CPI movements at each anniversary of the lease inception;
- Contains outgoings, which are treated as lease components (applying the practical expedient under AASB 16 *Leases*), and included in the lease calculation. There are no other variable lease payments associated with this office suite lease.
- Includes an option to renew in the lease for two further terms of three years each.

The Company includes options in leases to provide flexibility and certainty to the Company operations given the dependence of the Company on the Department of Health funding (Refer to Note 19) The extension options are at the Company's discretion. At commencement date and each subsequent reporting date, the Company assesses whether it is reasonably certain that the extension options will be exercised.

There are \$1,167,443 in potential future lease payments which are not included in lease liabilities as the Company has assessed that the exercise of the option is not reasonably certain.

As at 30 June 2023, there are no leases not yet commenced to which the lessee is committed (2022: nil).

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**for the year ended 30 June 2023 (continued)**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>13. Leases (continued)</b>		
<i>Right-of-use assets - buildings</i>		
Balance at beginning of year	469,365	-
Additions to right- of-use assets	23,178	547,592
Depreciation charge	(193,495)	(78,227)
Balance at end of year	299,048	469,365
 <i>Lease liabilities</i>		
Current lease liabilities – not later than 1 year	186,022	167,029
Non-current lease liabilities - later than 1 year	96,070	264,477
Total lease liabilities	282,092	431,506
The maturity analysis of lease liabilities based on contractual <u>undiscounted cash flows</u> is shown in the table below:		
Not later than one year	194,574	182,424
Later than one year and not later than five years	97,287	273,636
Later than five years	-	-
Total undiscounted lease liabilities	291,861	456,060
 <i>Lease payments recognised in statement of profit or loss and other comprehensive income</i>		
Short-term lease payments	17,008	99,530
Leases of low-value assets	-	-
 <i>Lease commitments for short-term leases</i>		
Within one year	-	6,021

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**for the year ended 30 June 2023 (continued)**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>14. Reconciliation of cash flows from operating activities</b>		
<b>Cash flows from operating activities</b>		
Profit for the year	623,701	698,859
<i>Adjustments for:</i>		
Depreciation and amortisation	287,774	174,521
Loss/(Gain) on sale of property, plant and equipment	-	(130)
<b>Operating profit before changes in working capital and provisions</b>	<b>911,475</b>	<b>873,250</b>
(Increase)/decrease in trade and other receivables	4,158	175,142
(Increase)/decrease in other assets	(126,075)	(77,904)
Increase/(decrease) in contract liabilities	(1,196,170)	1,115,032
Increase/(decrease) in employee benefits	40,532	128,525
Increase/(decrease) in trade and other payables	(248,439)	(247,562)
<b>Net cash from/(used in) operating activities</b>	<b>(614,519)</b>	<b>1,966,483</b>

**15. Financial instruments**

**Financial assets**

*Financial assets at amortised cost*

Cash and cash equivalents	8,013,859	10,596,817
Investments	1,500,000	-
Trade and other receivables	5,500	9,658
<b>Total financial assets</b>	<b>9,519,359</b>	<b>10,606,475</b>

**Financial liabilities**

*Financial liabilities at amortised cost*

Trade and other payables	266,154	474,593
<b>Total financial liabilities</b>	<b>266,154</b>	<b>474,593</b>

**16. Auditors' remuneration**

Remuneration of the auditor of the Company, Crowe Albury,  
for:

- Auditing the financial statements (1)	16,800	16,000
- Other services (2)	840	10,800
	17,640	26,800

(1) Includes financial statement preparation assistance

(2) For 2023, other services included grant acquittal assurance work

**Remote Vocational Training Scheme Ltd**  
**Notes to and forming part of the financial statements**  
**for the year ended 30 June 2023 (continued)**

2023                      2022  
 \$                              \$

**17. Key management personnel disclosures**

**Key management personnel compensation**

The key management personnel compensation included in ‘wages’, ‘board expenses’, ‘registrar costs’ and ‘quality assurance’ (see Statement of profit or loss and other comprehensive income) are as follows:

	490,909	337,003
--	---------	---------

Remuneration is paid to directors for attendance at board meetings and associated commitments.

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:

- Dr David Moniz - Chair                      *Appointed: 23/09/2021*
- Dr Jacki Mein – Deputy Chair              *Appointed: 02/10/2018*
- Dr Rodney Omond                              *Appointed: 15/09/2017*
- Dr Ross Wilson                                  *Appointed: 22/06/2019*
- Dr David Moniz                                  *Appointed: 23/09/2021*
- Dr Sanjaya Kapuwatte                        *Appointed: 23/09/2021*
- Dr Merran Auland                               *Appointed: 18/10/2022*
- Dr Vladislav Matic                              *Appointed: 30/09/2016 Resigned: 18/10/2022*

***Executives***

Dr Patrick Giddings – Chief Executive Officer and Company Secretary.

**18. Related parties – Director related transactions**

Dr Merran Auland is a current RVTS registrar supervisor, clinical teaching visitor and PEP mentor. Separate agreements are in place for each of these roles.

Dr Jacki Mein has been an RVTS registrar supervisor. A separate agreement is in place for her role as supervisor.

Dr Rodney Omond is a Director of the Royal Australian College of General Practitioners (‘RACGP’) Rural Board and committee member of the RACGP Rural Education Committee and Medical Educator with RACGP with the PEP program, which the Company has had previous transactions with.

Dr Ross Wilson is also a Director of the Royal Australian College of General Practitioners (‘RACGP’) Rural Board and committee member of the RACGP Rural Education Committee, which the Company has had previous transactions with.



# **Remote Vocational Training Scheme Ltd**

## **Notes to and forming part of the financial statements for the year ended 30 June 2023 (continued)**

### **18. Related parties – Director related transactions (continued)**

Dr Sanjaya Kapuwatte is a current RVTS registrar supervisor. A separate agreement is in place for his role as supervisor.

Apart from the details disclosed in this note, no other 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' interest at year end.

Executives

Dr Patrick Giddings – Chief Executive Officer and Company Secretary.

### **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 (from the November 2021 Deed of Variation) has the following key dates:

- Core Program funding expiring on 31 December 2024;
- Salary Support Program funding expiring on 30 June 2025.

### **20. Contingent liabilities**

The Company had no contingent liabilities as at 30 June 2023 (2022: nil).

### **21. 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 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.

## 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 23, 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 2023, and of its performance, as represented by the results of its operations and its cash flows for the financial year ended 30 June 2023; and
  - b. complying with Australia Accounting Standards – Simplified Disclosures.
- 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.

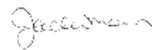
This declaration is made in accordance with a resolution of the directors made pursuant to the subsection 60.15(2) of the *Australian Charities and Not-for-Profits Commission Regulations 2022*.

Dated this 23<sup>rd</sup> day of August 2023.



---

Director



---

Director

## Remote Vocational Training Scheme Ltd

### Independent Auditor's Report to the Members of Remote Vocational Training Scheme Ltd

#### Opinion

We have audited the financial report of Remote Vocational Training Scheme Ltd (the Company), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its financial performance and cash flows for the year then ended; and
- (b) complying with Australian Accounting Standards – Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (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.

### **Other Information**

The directors are responsible for the other information. The other information comprises the Directors' Report included in the Company's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

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 – Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) 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 ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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



**CROWE ALBURY**



**BRADLEY D BOHUN**  
Partner

Dated this 23<sup>rd</sup> day of August 2023.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Audit Australia, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation.

Some of the Crowe personnel involved in preparing this report may be members of a professional scheme approved under Professional Standards Legislation such that their occupational liability is limited under that Legislation. To the extent that applies, the following disclaimer applies to them. If you have any questions about the applicability of Professional Standards Legislation to Crowe's personnel involved in preparing this report, please speak to your Crowe adviser.

Liability limited by a scheme approved under Professional Standards Legislation.

The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.