



ACRRM Financial Statements

2023

Statutory reports

For the year ended 30 June 2023

Director's report

The Directors submit the following report for the year ended 30 June 2023 under Sections 298 and 300B of the Corporations Act 2001 and in accordance with a resolution of the Board of Directors.

Directors

The names of the Directors of Australian College of Rural and Remote Medicine Limited (ACRRM) in office at any time during the year and to the date of this report are:

- **Ms Amanda Anderson** *(commenced 31 July 2023)*
- **Dr Michael Beckoff** *(term completed 13 October 2022)*
- **Dr Anthony Carpenter** *(commenced 31 July 2023)*
- **Dr Sarah Chalmers** *(term completed 13 October 2022)*
- **Dr Danielle Dries**
- **Ms Brynnie Goodwill**
- **Dr Daniel Halliday**
- **Dr David Rimmer** *(commenced 13 October 2022)*
- **Dr Dan Wilson**
- **Dr Robert Worswick**

Principal activities, objectives & strategies

The principal strategies of ACRRM during the year were to engage in activities that support improved health outcomes for rural and remote communities across Australia. This included leading recognition of the specialised field of Rural Generalist Medicine, transitioning the Australian General Practice Training Program (AGPT) to a college-led model of delivery, and continuing to develop and deliver high quality specialist medical education and training, research, policy and advocacy.

The College continued to lead the application for Rural Generalist Medicine to be recognised as a specialised field of general practice, working alongside RACGP to progress formal application to the Medical Board of Australia. It also continued to successfully expand interest and enrolments in the national Rural Generalist Training.

The transition of the AGPT program to ACRRM required significant change and development to the College's business systems, structures and business model. The College successfully managed:

- transfer and consolidate comprehensive data and training records, relationships and accountabilities for training from nine regional training organisations to ACRRM
- establishment of Training Networks in each jurisdiction to allow ACRRM to take a regional approach to its program design and training delivery from February 2023
- new business systems to enable ACRRM to provide secure data exchange, financial transactions and reporting with key commonwealth agencies (e.g. Department of Health and Aged Care and Services Australia)
- significant new policy and program design to support college-led training models and effective collaboration with RACGP in areas such as training placements and accreditation
- workforce planning review and design, including input to General Practice Workforce Prioritisation and Planning Organisations and First Nations GP Training governance mechanisms
- establishment of a new joint venture company with the RACGP to provide effective education and mentoring for Aboriginal and Torres Strait Islander health, and strategic approaches to policy, capacity and supports (e.g. remote housing in NT).

ACRRM received accreditation by the Australian Medical Council as a CPD Home.

The company's financial accounts have been prepared in accordance with Australian Accounting Standards.

In order to meet the long term objectives of the College, the company will strive to:

- Be recognised as the leading voice for best practice in rural and remote medicine in Australia
- Proactively support students, Registrars, Fellows and members with quality education, training and resources
- Deliver quality education and training programs for College Registrars to ensure they are adequately skilled to serve rural and remote communities
- Engage with and bring value to the full range of medical and rural health professions.

The company's short term objectives is to focus on growth within existing target markets for the next 12 months. maintain strong member retention following the successful transition to College Led Training.

In order to meet the short term objectives of the College, the company will continue to:

- Encourage a targeted approach to member recruitment
- Place emphasis on generating income sources that are independent of government
- Broaden the range of College programs and activities
- Emphasise member and staff satisfaction as a key priority
- Deliver quality education and training to College Registrars to meet requirements of College Curriculum and attain recognition as Fellows of the College

Key performance measures

Management and the Board monitor ACRRM's overall performance, from its implementation of the vision statement and strategic plan through to the performance against operating plans and financial budgets. Regular monitoring of revenue and expenditure targets, service delivery and risk management are key areas of focus through both qualitative and quantitative measures.

Review and results of operations

The surplus from ordinary activities for the year ended 30 June 2023 amounted to a surplus of $2,383,180 (2022: deficit of $1,444,771). This gain is after making non-cashflow adjustments to operational profit to be compliant with Australian Accounting Standards. In deriving the statutory profit and loss, adjustments are required to recognise operational leases and unrealised loss/gain for investments.

Winding up provisions

Every member undertakes to contribute to the assets of the Company if it is wound up while the member is a member or within one year after they cease to be a member, for payment of the debts and liabilities of the Company contracted before they ceased to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of contributories among themselves, such amount as may be required, not exceeding $10.

Information on directors

The following persons were Directors of the Australian College of Rural and Remote Medicine during this financial year.

Ms Amanda Anderson (commenced 31 July 2023)

FAICD, B.A. (Social Sciences)

Ms Amanda Anderson is a seasoned leader in the not-for-profit, healthcare, insurance and financial services sectors with 23 years' experience, including being CEO and Managing Director of MIGA. She possesses significant insight into and understanding of the challenges and pressures faced by rural and remote doctors and the communities they look after.

Dr Michael Beckoff (completed his term 13th October 2022)

MBBS, FACRRM, FAICD, Assoc. Dipl. Agric (Dist)

Dr Beckoff is a practicing rural generalist based in South Australia with over 45 years' experience, both as an equity partner and now as a rural and remote locum. He is a company director involved in various health corporate roles at a state and national level.

Dr Anthony Carpenter (commenced 31 July 2023)

FACRRM, FAFPHM, FCHSM, FISQUA, GAICD

Dr Anthony Carpenter is a Rural Generalist with experience in hospitals and communities in every Australian state and territory, the Pacific, northern and sub-Saharan Africa and the Middle East. Anthony is also a Public Health Physician with Australian and international experience. He is a member of the Australian Defence Force Reserve and a volunteer for the Australian Medical Assistance Team (AUSMAT). Anthony's pre-medicine background is in corporate finance and data analytics. He has extensive governance experience in the public and not-for-profit sectors.

Dr Sarah Chalmers (completed her term 13th October 2022)

BSc(Hon), PGDipEd, MBBS, FRACGP, FACRRM

Dr Sarah Chalmers is the Immediate Past President of ACRRM. She works as a Rural Generalist at Palm Island Queensland, and as a senior lecturer in General Practice and Rural Medicine at JCU Townsville. Prior to this, Sarah spent 15 years as Rural Generalist and educator in North East Arnhem Land in the Northern Territory. Her clinical interests include remote practice, Aboriginal and Torres Strait Islander health, occupational health and sports medicine.

Dr Danielle Dries

BPhysio, MChD

Dr Danielle Dries is a Kaurna Aboriginal woman from South Australia who has a passion for rural and remote health and improving Indigenous health outcomes. She has an extensive track record for promoting interdisciplinary care and the use of allied health services in rural and remote Australia. Danielle is currently an ACRRM registrar in New South Wales and is completing her AST in Obstetrics and Gynaecology.

Ms Brynnie Goodwill

BA (cum laude), JD, GAICD

Ms Brynnie Goodwill is an experienced non-executive director and has worked for more than 25 years as a CEO, senior executive and management consultant to not-for-profit and other organisations. Ms Goodwill is acutely aware of the significant issues faced by people living in the bush and the lack of accessible health care and services, and is inspired to support Rural Generalists to effectively serve their communities.

Associate Professor Daniel Halliday

B.BioMed.Sc MBBS, FACRRM, DRANZCOG (Adv), GAICD, GCAHM, AFRACMA

Dr Dan Halliday is the current President of ACRRM. He also works as a Rural Generalist with Obstetrics and is Medical Superintendent of Stanthorpe Hospital on the Darling Downs in South-East Queensland. Dan was the inaugural ACRRM College Council Chair and has held previous roles in rural medicine including Chair of Rural Doctors Foundation, President of Rural Doctors Association of Queensland and has also served until recently on the Queensland Branch of Australian Salaried Medical Officers Federation. Dan holds an Associate Professor appointment with Griffith University and has had a long association with the Griffith University rural program.

Dr David Rimmer (commenced 13 October 2022)

MBBS FACRRM FRACGP MAICD

Dr David Rimmer has 45 years of clinical experience spanning general practice, emergency medicine and medical administration, combined with a lifetime interest in teaching and workforce development. His current 0.5 role as the Director of Clinical Training for Central West HHS has oversight of medical student, junior doctor, GP registrar and early career Fellow training. David maintains a 0.3 appointment as a Rural Generalist with advanced training in Emergency Medicine. He previously worked for 17 years as a private GP in Toowoomba as well as 14 years in private emergency department roles and five years with the Royal Flying Doctor Service.

Dr Daniel Wilson

BBiomedSc(Hons), GradCertClinSim, GradDipClinEd, MD, MHLM, CertGov&RiskMgt, DRANZCOG(Adv), AFCHSM, AFRACMA, FACRRM, AICGG, MAICD

Dr Daniel Wilson is Rural Generalist with advanced skills in obstetrics working in Maryborough, Victoria. Dr Wilson is an experienced non-executive director in the non-profit and public sectors with interests in strategy and risk. Dr Wilson is the President of the Rural Doctors Association of Victoria (RDAV) and has contributed to national rural medical workforce through the Commonwealth GP Advisory Committees and as Deputy Co-Chair of the Australian Medical Association Council of Doctors in Training. Dr Wilson's clinical interests include core rural generalist practice with special interests in women's health, sexual health and trans* health, education and medical leadership.

Dr Robert Worswick CSM

BSc (Hons), MBBS, FACRRM, FRACGP, FARGP, DRANZCOG, Dip EM (Adv), GAICD

Dr Robert (Bob) Worswick is a former Australian Army medical officer. He now works as a (civilian) medical officer providing clinical care and clinical leadership in Australian Defence Force health facilities. He also provides locum support in rural Queensland, and works as a CMO in a tertiary hospital emergency department. Dr Worswick has a genuine desire to improve rural generalist training. Prior to becoming a Board Director he was a member of the College Assessment Committee and the Registrar Committee.

Company secretary and CEO

Dr Marita Cowie AM

BA (Psych), BBus (Com), HonDMD, FGIA

Marita Cowie is the foundation Chief Executive Officer and Company Secretary of the College. She has more than 30 years' experience in medical education and training, and executive management and advocacy within Australia and internationally. Marita holds an appointment as Associate Professor at JCU and was awarded an Honorary Doctorate of Medicine in 2018 for exceptional public contribution to the field of medicine in Northern Queensland. She was appointed a Member of the Order of Australia for significant service to community health in rural and remote areas.

Meetings of directors

During the 2022-2023 financial year, nine meetings of Directors were held with attendance as follows:

	Directors Meetings	
Directors	**Eligible to attend**	**Attended**
Dr Michael Beckoff	4	4
Dr Sarah Chalmers	4	4
Dr Danielle Dries	9	9
Ms Brynnie Goodwill	9	9
Dr Dan Halliday	9	9
Dr Daniel Wilson	9	9
Dr Robert Worswick	9	8
Dr David Rimmer	6	6

Attendance of ex officio board members at meetings of directors

	Directors Meetings	
Ex officio members	**Eligible to attend**	**Attended**
Assoc. Prof. David Campbell Censor in Chief	8	8
Ms Marita Cowie Chief Executive Officer	9	9
Dr Ewen McPhee Immediate Past President (to Oct 22)	4	4
Dr Sarah Chalmers Immediate Past President (from Oct22)	4	3

There is one formally constituted committee of the Board being the College Council. During the financial year six meetings of the Council were held with attendance as follows:

	Council Meetings	
Council members	**Eligible to attend**	**Attended**
Dr Michael Beckoff	3	3
Associate Professor David Campbell	5	4
Dr Brendan Carrigan	6	6
Dr Sarah Chalmers	5	4
Ms Marita Cowie	6	6
Dr Daniel Halliday	6	6
Dr Emily Harrison	6	4
Dr Zoe Wright	3	2
Dr Alice Fitzgerald	6	3
Dr Stephen Holmes	4	3
Dr Rod Martin	5	4
Dr Eve Merfield	3	3
Dr Tendai Miller	5	5
Dr Ewen McPhee	3	1
Dr Regina Waterhouse	6	4
Ms Susanne Tegen	6	5
Dr Danielle Dries	6	6
Dr Robert Worswick	6	6
Dr Daniel Wilson	6	5
Dr Greer Weaver	4	4
Ms Brynnie Goodwill	6	6
Dr David Rimmer	4	3
Dr Claire Arundell	4	3
Dr Colin Smith	4	2
Dr Swaroop Valluri	3	2
Dr Jasmine Banner	4	4
Dr Jasmine Davis	2	2

The Finance, Audit and Risk Management Committee during the financial year held six meetings with attendance as follows:

	Finance audit and risk management committee meetings	
Finance audit and risk management committee members	**Eligible to attend**	**Attended**
Dr Michael Beckoff	2	2
Ms Marita Cowie (ex-officio member)	6	5
Ms Jocelyn Manique	6	5
Dr Rod Martin	6	5
Ms Susanne Tegen	3	3
Dr Robert Worswick	6	6
Dr Daniel Wilson	4	3
Dr Emily Harrison	2	2

Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 for the year ended 30 June 2023 has been received by the directors.

Signed in accordance with a resolution of the Board of Directors.

DIRECTOR DR DANIEL WILSON

Dated at Maryborough, Victoria,
this day 25th of September, 2023

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFIT COMMISSION ACT 2012

TO THE DIRECTORS OF
AUSTRALIAN COLLEGE OF RURAL AND REMOTE MEDICINE LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-Profit Commission Act 2012* in relation to the audit; and

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

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

Stewart Douglas
Director
Brisbane
27 September 2023

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2023

	Notes	2023 $	2022 $
Rendering of services	2	9,614,928	9,748,820
Grant income	2	41,761,755	20,367,899
Sponsorship	2	626,370	98,895
Interest	2	154,756	28,256
Investment income—dividends and franking credits	2	131,726	218,514
Investment income—changes in market value (realised)	2	38,436	26,764
Investment income—changes in market value (unrealised)	2	294,910	(1,093,078)
College services & admin expenses	3	(8,477,944)	(10,506,356)
Grant expenses	3	(41,761,757)	(20,334,486)
Current Year Surplus/ Deficit Before Income Tax		**2,383,180**	**(1,444,771)**
Income Tax Expense	1	-	-
Net Current Year Surplus		**2,383,180**	**(1,444,771)**
Other comprehensive income		-	-
Total comprehensive income for the year		**2,383,180**	**(1,444,771)**

* *The above Statement of Profit and Loss and Other Comprehensive Income should be read in conjunction with the attached notes.*

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Notes	2023 $	2022 $
CURRENT ASSETS			
Cash and Cash Equivalents	5	39,944,957	30,608,603
Investments	6	6,936,813	6,108,869
Trade and Other Receivables	7	2,073,220	2,614,429
Other Assets	8	1,106,539	783,140
TOTAL CURRENT ASSETS		50,061,529	40,115,041
NON CURRENT ASSETS			
Intangible Assets	9	106,600	46,383
Right-of-use Assets	10	4,890,215	5,488,109
Plant and Equipment	11	613,729	685,573
TOTAL NON CURRENT ASSETS		5,610,544	6,220,065
TOTAL ASSETS		55,672,073	46,335,106
CURRENT LIABILITIES			
Trade and Other Payables	12	40,262,712	33,045,224
Provisions	13	609,018	477,477
Lease Liabilities	14	554,296	460,972
TOTAL CURRENT LIABILITIES		41,426,026	33,983,673
NON CURRENT LIABILITIES			
Provisions	13	103,162	83,970
Lease Liabilities	14	4,745,179	5,252,937
TOTAL NON CURRENT LIABILITIES		4,848,341	5,336,907
NET ASSETS		**9,397,706**	**7,014,526**
EQUITY			
Retained Earnings	15	9,397,706	7,014,526
TOTAL EQUITY		**9,397,706**	**7,014,526**

* *The above Statement of Financial Position should be read in conjunction with the attached notes.*

STATEMENT OF CASH FLOWS

For the year ended 30 June 2023

	Notes	2023 $	2022 $
Cash Flows from Operating Activities			
Receipts from Members & Other Consultancies		9,755,298	10,954,644
Grants Received		53,987,346	29,472,281
Interest Received		154,756	28,256
Payments to Suppliers and Employees		(53,357,773)	(33,911,739)
Interest Paid		(230,719)	(245,126)
Net Cash (used in)/ provided by Operating Activities	22(i)	10,308,908	6,298,316
Cash Flows from Financing Activities			
Lease Repayment		(487,690)	(364,748)
Net Cash (used in)/ provided by Financing Activities		(487,690)	(364,748)
Cash Flows from Investing Activities			
Payments for Property, Plant, Equipment and Capital WIP		(201,961)	(178,512)
Payments for Investments		(1,114,560)	(1,593,654)
Proceeds from Investments		619,962	609,465
Dividends and Distributions Received		211,692	203,830
Net Cash (used in) Investing Activities		(484,867)	(958,871)
Net Increase (Decrease) in Cash held		9,336,351	4,974,697
Cash at the beginning of the Financial Year		30,608,606	25,633,909
Cash at the end of the Financial Year	22(ii)	**39,944,957**	**30,608,606**

* *The above Statement of Cash Flows should be read in conjunction with the attached notes.*

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 june 2023

	Retained Earnings $	Total $
Balance at 30 June 2021	8,459,297	8,459,297
Comprehensive Income		
Net Surplus/(Deficit)	(1,444,771)	(1,444,771)
Other Comprehensive Income	-	-
Total Comprehensive Income	7,014,526	7,014,526
Balance at 30 June 2022	7,014,526	7,014,526
Comprehensive Income	2,383,180	2,383,180
Net Surplus/(Deficit)		
Other Comprehensive Income	-	-
Total Comprehensive Income	9,397,706	9,397,706
Balance at 30 June 2023	9,397,706	9,397,706

* *The above Statement of Changes in Equity should be read in conjunction with the attached notes.*

1. SUMMARY OF ACCOUNTING POLICIES

These financial statements constitute a general purpose financial report which has been drawn up in accordance with Australian Accounting Standards (including other authoritative pronouncements of the Australian Accounting Standards Board and Australian Accounting Interpretations), the *Corporations Act 2001* and the *Australian and Not-for-Profits Commission Act 2012*. The College is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

A statement of compliance with International Financial Reporting Standards cannot be made due to the College applying the not-for-profit sector specific requirements contained in Australian Accounting Standards.

Basis of Preparation

The financial statements, except for the cash flow information, are prepared on the accrual basis of accounting using the historical cost assumption and except where stated do not take into account changing money values nor current valuations of non current assets and their impact on operating results.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the College. Significant estimates and judgment employed by the company concern the useful life and depreciation rates for plant and equipment and the useful life and amortisation rates for intangibles which are reviewed annually by the company (detailed in Note 1) and the basis of estimating the provision for make-good, detailed in Note 13.

Revenue Recognition

Grants

When the College receives grant revenue, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance to AASB 15.

When both these conditions are satisfied, The College:

- Identifies each performance obligation relating to the grant
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations.

Where the contract is not enforceable or does not have sufficiently specific performance obligations, the College:

- recognises the asset received in accordance with the recognition requirements of other applicable accounting standards (e.g. AASB 9, AASB 16, AASB 116 and AASB 138)
- recognises related amounts (being contributions by owners, lease liability, financial instruments, provisions, revenue or contract liability arising from a contract with a customer)
- recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount.

If a contract liability is recognised as a related amount above, the College recognises income in profit or loss when or as it satisfies its obligations under the contract.

Subscription Income

Subscription revenue is recognised only when the College's right to receive payment of the subscriptions is established.

Interest

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend Income

The College recognises dividends in profit or loss only when the College's right to receive payment of the dividend is established.

All revenue is stated net of the amount of goods and services tax.

Income Tax

The College is exempt from income tax under provisions of the Income Tax Assessment Act.

Property, Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present.

Depreciation

The depreciable amount of all fixed assets, including capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life to the College commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation rate
Plant & Equipment	10%—33%
Right of Use Assets	Over the life of the lease
Leasehold Improvements	10%

Intangible Assets

The cost of implementing a Customer Relationship Management System and the Learning Management System have been capitalised under the conditions set out in Australian Accounting Interpretations. The cost is to be amortised over a period of five years and any further expenses incurred for maintenance will be expensed in profit and loss.

Employee Benefits

The following liabilities arising in respect of employee entitlements are measured at the amount expected to be paid when the liability is settled:

- wages and salaries, annual leave and sick leave regardless whether they are expected to be settled within twelve months of balance date.
- other employee entitlements which are expected to be settled within twelve months of balance date.

Long service leave liabilities are determined after taking into consideration years of service, current level of wages and salaries and past experience regarding staff departures.

Leases

The College as lessee

At inception of a contract, the College assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the College where the College is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months of less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the College uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the College anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the College becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the College commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Classification and subsequent measurement

Financial Liabilities:

Financial liabilities are subsequently measured at:

- Amortised cost; or
- Fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- A contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- Held for trading; or
- Initially designated at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- It is incurred for the purpose of repurchasing or repaying in the near term;
- Part of a portfolio where there is an actual pattern of short-term profit taking; or
- A derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

The College currently does not recognise any financial liabilities at fair value through profit or loss, with all financial liabilities being recognised at amortised cost.

Financial Assets:

Financial assets are subsequently measured at:

- Amortised cost;
- Fair value through other comprehensive income; or
- Fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- The contractual cash flow characteristics of the financial asset; and
- The business model for managing financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- The financial asset is managed solely to collect contractual cashflows; and
- The contractual terms within the financial asset give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

- The contractual terms within the financial asset give rise to cashflows that are solely payments of principal and interest on the principal amount outstanding on specified dates;
- The business model for managing the financial assets comprises both contractual cashflows and the selling of the financial asset.

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The College currently recognises investments in market securities at fair value through profit or loss with all other financial assets being recognised at amortised cost.

Derecognition

Derecognition refers to the removal of a previously recognised financial assets or financial liabilities from the statement of financial position.

Derecognition of Financial Liabilities:

A liability is derecognised when it is extinguished (i.e. when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of Financial Assets:

A financial asset is derecognised when the holder's contractual rights to its cash flows expire, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for Derecognition of financial asset:

- The right to receive cash flows from the asset has been expired or been transferred;
- All risk and rewards of ownership of the asset have been substantially transferred; and
- The College no longer controls the asset.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Impairment

The College recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (e.g. amount due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

Impairment of Assets

At the end of each reporting period, the College reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised in profit or loss.

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset or a group of financial assets will be deemed to be impaired if, and only if, there is objective evidence of impairment as a result of the occurrence of one or more events (a "loss event"), which has an impact on the estimated future cash flows of the financial asset(s).

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments and bank overdrafts.

Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

Provisions

Provisions are recognised when the College has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

Fair Value of Assets and Liabilities

The College measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the College would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the College at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the College's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Comparative Figures

Where necessary, comparative information has been adjusted to be consistent with current year disclosures.

2. REVENUES FROM ORDINARY ACTIVITIES

	2023 $	2022 $
Operating Revenue		
Rendering of Services	9,614,928	9,748,820
Grant Income	41,761,755	20,367,899
Sponsorship	626,370	98,895
Non Operating Revenue		
Interest	154,756	28,256
Investment income—dividends and franking credits	131,726	218,514
Investment income—changes in market value (realised)	38,436	26,764
Investment income—changes in market value (unrealised)	294,910	(1,093,078)
	52,622,881	30,489,149

3. EXPENSES FROM ORDINARY ACTIVITIES

	2023 $	2022 $
Classification of Expenses by Function:		
College Services & Admin Expenses	8,477,944	11,599,434
Drug & Alcohol Addiction Grant Expenses	2,461,082	1,402,874
RGTS Establishment Grant Expenses	-	997,169
RGTS Operations Grant Expenses	7,783,309	3,105,314
GP Procedural Grant Expenses	9,616,099	9,410,372
GP Anaesthetics Grant Expenses	431,266	337,121
Telehealth Grant Expenses (RHOF)	406,444	383,557
GP Training Grant Expenses	312,700	511,214
Yellow Fever Grant Expenses	17,419	28,182
Non-VR Fellowship Support Grant Expenses	401,605	840,670
AGPT Transition Grant Expenses	2,316,136	3,018,408
Digital Health Grant Expenses	177,726	109,380
Healthdirect—Vaccine Clinic Finder Grant Expenses	-	48,828
Rural Generalist Recognition Grant Expenses	58,729	141,397
College Led Training Establishment Grant Expenses	7,847,707	-
College Led Training Grant Expenses	6,759,938	-
Transition from GP Synergy Grant Expenses	3,171,597	-
	50,239,701	31,933,920
Other Expenses		
Non Program Related Employee Benefits Expense	4,119,542	4,604,491
Program Related Employee Benefits Expense	10,799,655	5,868,176
Amortisation and Depreciation Expense	883,368	980,279

4. SURPLUS/(DEFICIT) FROM ORDINARY ACTIVITIES

	2023 $	2022 $
Surplus/(Deficit) from Ordinary Activities includes:		
Net (Gain)/Loss from sale of Plant and Equipment	-	3,696
Superannuation contributions	1,374,785	412,695

5. CASH AND CASH EQUIVALENTS

	2023 $	2022 $
Cash on Hand	200	200
Cash at Bank	37,504,104	27,486,911
Cash on Deposit	2,440,653	3,121,492
	39,944,957	30,608,603

6. INVESTMENTS

	2023 $	2022 $
Listed Securities	1,600,285	1,555,010
Managed Investments	5,336,528	4,553,859
	6,936,813	6,108,869

7. TRADE AND OTHER RECEIVABLES

	2023 $	2022 $
Trade Receivable	2,054,598	2,515,840
Other Receivables	18,622	98,589
	2,073,220	2,614,429

Included in trade receivable above, are aggregate amounts receivable from the following related parties:

Directors (other than loans to directors)	4,387	1,536

8. OTHER ASSETS

	2023 $	2022 $
Prepayments	1,083,497	778,493
Accrued Income	23,042	4,647
	1,106,539	783,140

9. INTANGIBLE ASSETS

	2023 $	2022 $
CRM & LMS Development (at cost)	1,791,482	1,684,882
Accumulated Amortisation	(1,684,882)	(1,638,499)
	106,600	46,383
Movement in Intangible Assets		
Opening Balance	46,383	109,426
Transferred from Capital Work-In-Progress		-
Additions	106,600	-
Disposals at Written Down Value		-
Amortisation	(46,383)	(63,043)
Closing Balance	106,600	46,383

10. RIGHT OF USE ASSETS

The College's lease portfolio includes buildings and motor vehicles. These leases have lease terms of ranging between 3 and 10 years.

The option to extend or terminate are contained in the property leases of the College. These clauses provide the College opportunities to manage leases in order to align with its strategies. All of the extension or termination options are only exercisable by the College. The extension options termination options which are probable to be exercised have been included in the calculation of the Right of Use Asset.

Amounts recognised in the statement of the financial position:

	Leased Motor Vehicles $	Leased Buildings $	Total $
Cost			
Balance at 1 July 2022	164,539	5,880,938	6,045,477
Acquisitions	-	54,056	54,056
Disposals	-	-	-
Balance at 30 June 2023	164,539	5,934,994	6,099,533
Amortisation			
Balance at 1 July 2022	18,282	539,086	557,368
Amortisation expense	54,847	597,103	651,950
Disposals	-	-	-
Balance at 30 June 2023	73,129	1,136,189	1,209,318
Carrying amounts			
Balance at 30 June 2023	91,410	4,798,805	4,890,215

Amounts recognised in the statement of profit or loss	2023 $	2022 $
Amortisation expense related to right-of-use-assets	651,950	746,796
Interest expense on lease liabilities	230,719	238,544
Short term leases expense	-	-
Low value asset lease expense	-	-
	882,669	985,340

11. PROPERTY PLANT AND EQUIPMENT

	2023 $	2022 $
Office Equipment (at cost)	962,402	903,479
Accumulated Depreciation	(604,470)	(507,000)
	357,932	396,479
Movement in Plant and Equipment		
Opening Balance	396,479	353,131
Additions	106,381	184,134
Disposals at Written Down Value	-	(3,696)
Depreciation Expense	(144,928)	(137,090)
Closing Balance	357,932	396,479
Leasehold Improvements (at cost)	330,223	330,223
Accumulated Depreciation	(74,426)	(41,129)
	255,797	289,094
Movement in Leasehold Improvements		
Opening Balance	289,094	322,444
Additions	-	-
Depreciation Expense	(33,297)	(33,350)
Closing Balance	255,797	289,094
Total Property Plant and Equipment	613,729	685,573

12. TRADE AND OTHER PAYABLES

	2023 $	2022 $
(i) Current		
Trade and Sundry Creditors	2,736,108	1,876,721
Unearned Income	35,334,139	29,723,687
Non-VR Subsidy Received in Advance	-	108,494
Accruals	1,116,765	178,546
Employee Benefits (annual leave, salaries and PAYG)	982,552	749,845
GST Payable	93,148	407,931
	40,262,712	33,045,224
Included in unearned income, are amounts from directors for memberships paid in advance:	4,863	4,527

13. PROVISIONS

	2023 $	2022 $
Current		
Long Service Leave	609,018	477,477
Non Current		
Long Service Leave	66,362	66,370
Provision for “Make Good”	36,800	17,600
	103,162	83,970
Analysis of Total Provisions		
Current	609,018	477,477
Non-current	103,162	83,970
Total Provisions	712,180	561,447

The movement in the provision during the 2023 financial year is as follows:

	Provision for “Make Good” $	Long Service Leave $
Opening balance at 1 July 2022	17,600	543,847
Additional provisions raised during the year	19,200	131,533
Amounts used	-	-
Balance as at 30 June 2023	36,800	675,380

Provision for “Make Good”

A provision has been recognised for the requirement to restore the leased premises to their original condition at the conclusion of the lease term. The provision has been estimated using actual past experience and current costs to meet lease obligations. Management review the provision annually.

Provision for Non-current Employee Benefits

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1 to these financial statements.

14. LEASES

	2023 $	2022 $
Lease liabilities are presented in the statement of financial position as follows:		
Current	554,296	460,972
Non-current	4,745,179	5,252,937
	5,299,475	5,713,909

The lease liabilities are secured by the related underlying assets.

The undiscounted maturity analysis of lease liabilities at 30 June 2023 is as follows:

	Within 1 year $	1-5 years $	Over 5 years &	Total &
30 June 2023				
Lease payments	766,275	2,968,040	2,607,177	6,341,492
Finance charges	211,979	626,968	203,070	1,042,017
Net present values	554,296	2,341,072	2,404,107	5,299,475
30 June 2022				
Lease payments	689,528	2,907,475	3,385,617	6,982,620
Finance charges	228,556	714,679	325,476	1,268,711
Net present values	460,972	2,192,796	3,060,141	5,713,909

15. RETAINED EARNINGS

	2023 $	2022 $
Retained Earnings at the beginning of year	7,014,526	8,459,297
Net Surplus/(Deficit)	2,383,180	(1,444,771)
Retained Earnings at the end of year	9,397,706	7,014,526

16. AUDITOR'S REMUNERATION

	2023 $	2022 $
Audit and review of Financial Statements	24,500	21,070
Other Project Audit Services	17,850	10,000
	42,350	31,070

17. MEMBERS' GUARANTEE

The company is limited by guarantee. If the company is wound up, the Articles of College state that each member is required to contribute a maximum of $10 each towards meeting any obligations of the company.

18. CORPORATE INFORMATION

Australian College of Rural and Remote Medicine Limited is an Australian company incorporated and domiciled in Australia. Its principal activities are the provision of medical education and training services. The principal place of business and registered office of the Australian College of Rural and Remote Medicine Limited is Level 1, 324 Queen Street, Brisbane, Queensland. There are 174 employees (2022: 131) at the end of the reporting period.

19. SEGMENT INFORMATION

The company's sole business segment is the provision of medical, education and training services to rural and remote areas in Australia.

20. ECONOMIC DEPENDENCY

The project operations of the Australian College of Rural and Remote Medicine are dependent upon ongoing funding, which, to date, has been predominantly through agreements with the Department of Health and Aged Care.

21. RELATED PARTY TRANSACTIONS

Key management personnel comprise of the directors and senior executive management team who have authority and responsibility for planning, directing and controlling the activities of the company.

The aggregate compensation of key management personnel is as follows:

	2023 $	2022 $
Key management personnel compensation		
- short-term benefits	1,544,581	1,341,960
- post-employment benefits	159,533	129,721
- other long-term benefits	34,140	29,659
Total	1,738,254	1,501,340

Of the above short-term benefits $6,814 (2022: $35,523) relates to payments to directors for transactions made at arm's length. Directors' fees of $130,573 (2022: $90,200) are also included in short-term benefits.

Other than those disclosed above and in note 6 and note 10, there are no other related party transactions that occurred during the 30 June 2023 financial year (2022: nil).

22. NOTES TO THE STATEMENT OF CASHFLOWS

i) Reconciliation of Surplus/(Deficit) from Ordinary Activities after Income Tax to Net Cash Provided by Operating Activities

Activities	2023 $	2022 $
Surplus/(Deficit) from ordinary activities after income tax	2,383,180	(1,444,771)
Depreciation	165,834	164,818
Amortisation	717,534	815,460
Loss/(Gain) on Disposal of Assets	-	3,696
Market value movement in Investments	(234,944)	1,093,078
(Increase)/Decrease in Receivables	193,410	(225,682)
(Increase)/Decrease in Prepayments	(305,005)	(101,116)
Increase/(Decrease) in Employee Entitlements	150,734	(139,565)
Increase/(Decrease) in Creditors & Borrowings	7,238,165	6,162,397
Net Cash Provided by Operating Activities	10,308,909	6,298,316

For the purposes of the Statement of Cashflows, cash includes cash on hand and in banks and investments in money markets, net of bank overdrafts.

ii) Reconciliation of Cash	2023 $	2022 $
Cash on Hand	200	200
Cash at Bank	37,504,104	27,486,911
Cash on Deposit	2,440,653	3,121,492
	39,944,957	30,608,603

ii) Undrawn Credit Card Facilities	2023 $	2022 $
Facility Limits at reporting date	282,000	182,000
Less: drawn at balance date	(69,366)	(84,233)
Undrawn facilities at reporting date	212,634	97,767

iv) Changes in Liabilities arising from Financing Activities

	1 July 2022 $	Cash flows $	Acquisition $	Fair value changes $	Reclassification $	30 June 2023 $
Lease Liabilities	5,713,309	(467,890)	54,056	-	-	5,299,475
Total	5,713,309	(467,890)	54,056	-	-	5,299,475

23. EVENTS AFTER THE BALANCE SHEET DATE

There have been no material events that have occurred since the end of the financial year.

24. FINANCIAL INSTRUMENTS

Financial Risk Management Policies

The Company's financial instruments consist mainly of deposits with the banks, investments, accounts receivable and accounts payable.

The Company does not have any derivative instruments at 30 June 2023.

i) Treasury Risk Management

The FARM committee meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

The committee's overall risk management strategy seeks to assist the Company in meeting its financial targets whilst minimising potential adverse effects on financial performance.

The finance committee operates under policies approved by the board of directors. Risk management policies are approved and reviewed by the Board on a regular basis. These include credit risk policies and future cash flow requirements.

ii) Financial Risk Exposures and Management

The main risks the Company is exposed to through its financial instruments are cash flow, interest rate risk, liquidity risk and credit risk.

Interest rate risk

No assets or liabilities of the company bear interest except for cash and cash equivalents. The interest rate (market) risk regarding these assets is monitored by the directors to ensure the best possible financial returns.

At 30 June 2023 the weighted average effective interest rate in relation to cash and cash equivalents was 4.14% (2022 2.04%) with the interest rate being entirely represented by floating rates. In terms of interest rate sensitivity analysis, a 2% increase/decrease in interest rates would cause the net profit before tax and equity of the company to increase/decrease by $56,466 annually assuming all other variables remain constant.

Foreign currency risk

The company is not exposed to fluctuations in foreign currencies.

Liquidity risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that spending remains within approved project budgets for which funds are received in advance.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The College has provided a bank guarantee of $502,775 held as security for the lease at 324 Queen Street Brisbane. There are no other amounts of collateral held as security at 30 June 2023.

Credit risk arising from deposits with financial institutions is managed by the deposit of funds with authorised deposit taking institutions in Australia. The company is not exposed to any significant credit risk as its receivables are principally from commonwealth government grant funding or from members in respect of subscription and other assessment course services.

(iii) Carrying Amount of Financial Instruments by Category

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

Financial Assets	2023 $	2022 $
Cash and cash equivalents	39,944,957	30,608,603
Accounts receivable and other debtors	2,073,220	2,614,429
Investments	6,936,813	6,108,869
Total Financial Assets	48,954,990	39,331,901

Financial Liabilities	2023 $	2022 $
Financial liabilities at amortised cost	-	-
Accounts payable and other payables	2,736,108	1,876,721
Total Financial Liabilities	2,736,108	1,876,721

(iv) Financial liability and financial asset maturity analysis:

- Trade receivables represent the principal amounts outstanding at balance date, are non-interest bearing and are usually settled within 30 days.
- All other receivables are due to be received within one year.
- Trade payables represent the principal amounts outstanding at balance date, are non-interest bearing and are usually settled within 30 days.
- All other payables are due for payment within one year.

(v) Net Fair Value of Financial Instruments is equal to or approximately equal to their carrying amount.

25. FAIR VALUE MEASUREMENTS

The College measures and recognises the following assets at fair value on a recurring basis after initial recognition

- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income; and
- freehold land and buildings.

The College does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

Fair Value Hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

- **Level 1**
  Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the College can access at the measurement date.
- **Level 2**
  Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- **Level 3**
  Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The College selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the College are consistent with one or more of the following valuation approaches:

- Market approach uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- Income approach converts estimated future cash flows or income and expenses into a single discounted present value.
- Cost approach reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the College gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following tables provide the fair values of the College's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

	Notes	30 June 2023 Level 1 $	Level 2 $	Level 3 $	Total $
Recurring fair value measurements					
Financial assets					
Financial assets at fair value through profit or loss					
– Listed securities and managed investments	6	6,936,813			6,936,813
Total financial assets recognised at fair value on a recurring basis		6,936,813			6,936,813

	Notes	30 June 2022 Level 1 $	Level 2 $	Level 3 $	Total $
Recurring fair value measurements					
Financial assets					
Financial assets at fair value through profit or loss					
– Listed securities and managed investments	6	6,108,869			6,108,869
Total financial assets recognised at fair value on a recurring basis		6,108,869			6,108,869

26. CONTINGENT LIABITLITES

The College has no contingent liabilities at 30 June 2023 (2022: nil).

DIRECTOR'S DECLARATION:

In accordance with a resolution of the Directors of the Australian College of Rural and Remote Medicine Limited, the Directors declare that:

1. The financial statements and notes as set out on pages 7 to 28 are in accordance with the Corporations Act 2001 and the Australian Charities and Not-for-Profit Commission Act 2012 and:
   (a) comply with Australian Accounting Standards; and
   (b) give a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

DIRECTOR DR DANIEL WILSON

Dated at Maryborough, Victoria,
this day 25th of September, 2023

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN COLLEGE OF
RURAL AND REMOTE MEDICINE LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the Australian College of Rural and Remote Medicine Limited (the "Company"), which comprises the Balance Sheet as at 30 June 2023 and the statement of profit and 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 director's declaration.

In our opinion the financial report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-Profit Commission Act 2012*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2023 and of its performance for the year then ended; and
(ii) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-Profits Commission Regulations 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 Company in accordance with the ethical requirements of the Australian 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.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Australian Charities and Non-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 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 has no realistic alternative but to do so.

The directors 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AUSTRALIAN COLLEGE OF
RURAL AND REMOTE MEDICINE LIMITED (CONTINUED)**

Auditor's Responsibilities for the Audit of the Financial Report (Continued)
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 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 those charged with governance 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.

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

Stewart Douglas
Director
Brisbane
27 September 2023

ACRRM

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