

2020

Financial Report



**Improving the mental
health of communities**

through high quality
psychiatric care, education,
leadership and advocacy



The Royal
Australian &
New Zealand
College of
Psychiatrists



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The Royal Australian and New
Zealand College of Psychiatrists

A.B.N. 68 000 439 047

(A company limited by guarantee
incorporated in Australia)

For the year ended 31 December 2020

Registered Office
309 La Trobe Street
Melbourne Victoria 3000

Directors' Report

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2020.

Directors

The RANZCP Board comprises of seven directors. The Board is responsible for, and has the authority to determine, all matters relating to the strategic direction, policies, practices, goals for management and the operation of the RANZCP.

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

- » A/Prof John Allan
- » A/Prof Vinay Lakra
- » Dr Margaret Aimer (to 24 June 2020)
- » A/Prof Neeraj Gill (from 24 June 2020)
- » Dr Peter Jenkins (to 24 June 2020)
- » A/Prof Beth Kotze (from 24 June 2020)
- » Dr Sue Mackersey
- » Dr Elizabeth Moore
- » Dr Nick O'Connor

Information on directors

John Allan President

Qualifications: MBBS, FRANZCP, PhD, GAICD

Experience and expertise: John is the Executive Director, Mental Health Alcohol and Other Drugs Branch, Queensland Health. He was previously the Chief Psychiatrist in both Queensland and NSW and has over 35 years' experience as a psychiatrist in clinical, academic, management and leadership positions.

John initially joined the Board in May 2015 as a Casual Board Director for a 12-month term and was elected to the Board for a two-year term in 2016. From 2015 to 2016 John served as Chair, RANZCP Finance Committee and a member of the RANZCP

Audit Committee. From 2016 to 2017 John served as Chair, RANZCP Corporate Governance and Risk Committee before assuming the role of President Elect from May 2017 to May 2019, during which time he chaired the Members Advisory Council and Audit Committee.

As President, from May 2019 to May 2021, A/Prof Allan chairs the RANZCP Board and is a member of the Finance Committee and Members' Advisory Council.

Special responsibilities: President; Chair, RANZCP Board; Ex-officio, Finance Committee; Member, Members' Advisory Council; and Board Director, Council of Presidents of Medical Colleges.

Vinay Lakra President Elect

Qualifications: MBBS, MD, MHM, FRACMA, FRANZCP, GAICD

Experience and expertise: Vinay is the Clinical Director of North West Area Mental Health Service, North Western Mental Health and served as the Deputy Chief Psychiatrist of Victoria from 2016 to 2019.

Dr Lakra joined the Board for a two-year term from May 2018 and served as Chair, Finance Committee until his election to President Elect in May 2019. Vinay is currently the Chair of the Audit Committee,

Members' Advisory Council, Awards and Recognition Committee, and PIF Advisory Group.

Dr Lakra will assume the role of President in May 2021.

Special responsibilities: President Elect; Chair, Members' Advisory Council; Chair, RANZCP Audit Committee; Member, Finance Committee; Member, Practice, Policy and Partnerships Committee; Chair, Awards and Recognition Committee; and Chair, PIF Advisory Group.

Information on directors (continued)

Margaret Aimer

Board Director (to 24 June 2020)

Qualifications: MB ChB, FRANZCP

Experience and expertise: Margaret is the Clinical Director, Mental Health and Addictions, for Northland District Health Board, New Zealand. Prior experience includes seven years as Innovation and Improvement Manager at Ko Awatea, and eight years as Clinical Director Mental Health at Counties Manukau District Health Board, New Zealand.

Margaret joined the RANZCP Board in May 2013 and from this time served as

Chair, Education Committee. Margaret has also served at various times as a Member on the Corporate Governance and Risk Committee; Practice, Policy and Partnerships Committee; and Membership Engagement Committee.

Special responsibilities: Chair, Education Committee; Member, Members' Advisory Council; and Member, Membership Engagement Committee.

Neeraj Gill

Board Director (from 24 June 2020)

Qualifications: FRANZCP, MD (Psychiatry), DrPH

Experience and expertise: Neeraj is a psychiatrist at Gold Coast Hospital and Health Service and Clinical Lead for mental health at the School of Medicine, Griffith University, Gold Coast. He is adjunct Associate Professor at the Rural Clinical School, The University of Queensland, and a member of the Queensland Mental Health Review Tribunal.

Neeraj joined the RANZCP Board in June 2020 for a two-year term and is the current Chair of the Finance Committee.

Special responsibilities: Chair, Finance Committee; Member, Members' Advisory Council; Member, Practice, Policy and Partnerships Committee; and Member, Audit Committee.

Peter Jenkins

Board Director (to 24 June 2020)

Qualifications: MBBS, FRANZCP, Cert. Child Psychiatry

Experience and expertise: Peter is the Clinical Director of the Child and Youth Mental Health Service at Eastern Health. He was elected to the Board in 2013 initially for a three-year term and in 2016 and again in 2018 for a further two years each time.

From 2013 Peter has served as Chair, Practice, Policy and Partnerships

Committee. From 2016 to 2018 Peter served as a member of the Membership Engagement Committee and from 2018 as member of the Audit Committee.

Special responsibilities: Chair, Practice, Policy and Partnerships Committee; Member, Members' Advisory Council; and Member, Audit Committee.

Beth Kotze

Board Director (from 24 June 2020)

Qualifications: FRANZCP, FRACMA, MBBS, MMed (Psychotherapy), MHA, MA, Cert. Child Psychiatry

Experience and expertise: Beth is currently the Director of Child and Adolescent Mental Health Services, Sydney Local Health District. She has held senior executive, leadership, and management positions over more than twenty years during which time she has contributed to mental health service development, mental health policy, psychiatry education and practice.

Beth joined the RANZCP Board in June 2020 for a two-year term and is the current Chair of the Corporate Governance and Risk Committee.

Special responsibilities: Chair, Corporate Governance and Risk Committee; Member, Audit Committee; Member, Members' Advisory Council; and Member, Education Committee.

Sue Mackersey
Board Director

Qualifications: MB ChB, FRANZCP

Experience and expertise: Sue has over 25 years' experience in governance, clinical leadership and management in New Zealand and Australia. She has worked in public and private practice and metropolitan and rural settings. Her current work is with rural mental health services in Tairāwhiti where she is Director of Area Mental Health Services and Addiction Services and Head of Department. Sue also works in private practice.

Sue joined the Board in May 2018 for a two-year term, was re-elected for a further two-year term in June 2020, and during this time served as Chair of the Membership Engagement Committee.

Special responsibilities: Chair, Membership Engagement Committee; Member, Members' Advisory Council; and Member, Corporate Governance and Risk Committee.

Elizabeth Moore
Board Director

Qualifications: MBBS (Adl), FRANZCP, Grad Cert HPE (UWA), MAICD

Experience and expertise: Elizabeth is the inaugural ACT Coordinator-General of the Office of Mental Health and Wellbeing and has worked in both public and private hospital and community settings, holding clinical and/or administrative positions in psychiatry in South Australia, New South Wales, Victoria, and Western Australia.

Elizabeth joined the Board in May 2019 as a Casual Board Director for a 12-month term and was elected to the Board for a

two-year term in June 2020. Elizabeth currently chairs the Practice, Policy and Partnerships Committee.

Special responsibilities: Chair, Practice, Policy and Partnerships Committee (from 24 June 2020); Chair, Finance Committee and Member, Practice, Policy and Partnerships Committee (up to 24 June 2020); Member, RANZCP Audit Committee; and Member, Members' Advisory Council.

Nick O'Connor
Board Director

Qualifications: MBBS, MMed (Syd), MHA, FRANZCP, FRACMA, GAICD

Experience and expertise: Nick is Clinical Lead of the Mental Health Patient Safety Program, NSW Clinical Excellence Commission. Nick is also a member of the NSW Agency for Clinical Innovation Mental Health Network.

Nick joined the Board in May 2017 as a Casual Board Director for a 12-month term, was elected for a two-year term in May 2018, and re-elected for a further two-year term in June 2020. Nick is currently the Chair of the RANZCP Education Committee.

Special responsibilities: Chair, RANZCP Education Committee and Member, RANZCP Membership Engagement Committee (from 24 June 2020); Chair, Corporate Governance and Risk Committee and Member, Education Committee (up to 24 June 2020); and Member, Members' Advisory Council.

Meetings of Directors

RANZCP Directors' attendance at Board meetings — 1 January to 31 December 2020

Director and position	2020/1 Feb (f2f)	2020/2 Mar (tel)	2020/3 Mar (tel)	2020/4 Apr (tel)	2020/5 Apr (vid)	2020/6 May (vid)	2020/7 May (vid)	2020/8 Jun (vid)	2020/9 Jun (vid)	2020/10 Jul (vid)
A/Prof John Allan <i>President</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
A/Prof Vinay Lakra <i>Elected Director / President Elect</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Margaret Aimer <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	—
A/Prof Neeraj Gill <i>Elected Director</i>	—	—	—	—	—	—	—	—	○	✓
Dr Peter Jenkins <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	—
A/Prof Beth Kotze <i>Elected Director</i>	—	—	—	—	—	—	—	—	○	✓
Dr Sue Mackersey <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Elizabeth Moore <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Nick O'Connor <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Director and position	2020/11 Aug (vid)	2020/12 Aug (vid)	2020/13 Sep (vid)	2020/14 Oct (vid)	2020/15 Oct (vid)	2020/16 Nov (vid)	2020/17 Dec (vid)	Eligible to Attend	Attended	
A/Prof John Allan <i>President</i>	✓	✓	✓	✓	✓	✓	✓	17	17	
A/Prof Vinay Lakra <i>Elected Director / President Elect</i>	✓	✓	✓	✓	✓	✓	✓	17	17	
Dr Margaret Aimer <i>Elected Director</i>	—	—	—	—	—	—	—	9	9	
A/Prof Neeraj Gill <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	8	8	
Dr Peter Jenkins <i>Elected Director</i>	—	—	—	—	—	—	—	9	9	
A/Prof Beth Kotze <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	8	8	
Dr Sue Mackersey <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	17	17	
Dr Elizabeth Moore <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	17	17	
Dr Nick O'Connor <i>Elected Director</i>	✓	✓	✓	✓	✓	✓	✓	17	17	

Key: ✓ Attended ✗ Apology ○ Attended as observer only — Not applicable
 f2f Face to face meeting vid video conference meeting tel teleconference meeting

Principal activities

The principal activities of the RANZCP during the year were to promote the study of psychiatry and investigation and research in psychiatry, to bring together psychiatrists for their common benefit and for scientific discussion, to disseminate knowledge of the principles of psychiatry and to conduct examinations for qualifying for membership of the RANZCP.

There was no significant change in the nature of these activities during 2020.

State of affairs

There was no significant change in the state of affairs of the RANZCP during the year.

Operations and results

The surplus after income tax expense for the RANZCP for the financial year amounted to \$3,278,251 (2019: \$1,177,135).

COVID-19 has had a serious impact on Australian business across all sectors of the economy, and the RANZCP has been no exception. The RANZCP experienced a drop in operating revenue this year due to the postponement or cancellation of many events, including the Objective Structured Clinical Examination (OSCE) scheduled for April 2020, the RANZCP Annual Congress in May 2020 and several conferences. This surplus included government support income of \$2,204,500 received from the Australian Government during the year.

The financial impact of cancelling the April 2020 OSCE and delivering the first Audio Visual (AV) OSCE in November 2020 to a smaller cohort of candidates was partly offset by increases in candidates undertaking written exams, and new Associate members commencing the training program compared to the previous year.

The RANZCP has worked extremely hard to manage uncertainties and risk during COVID-19, and to provide a platform of financial stability whilst increasing online resources, providing targeted support and increased payment flexibility to members. The historically strong financial performance of the RANZCP has helped support the College through the unanticipated economic impact of COVID-19.

The spread of COVID-19 and activity restrictions imposed led to huge social and economic consequences. In response to this, the Australian Government introduced a number of initiatives to support the community and economy – one of the major support packages for businesses was the JobKeeper wage subsidy. There were eligibility criteria requirements established for not-for-profit organisations and the RANZCP qualified on the basis of a reduction in total income for the month of March 2020 which was in excess of the 15% threshold when compared to the corresponding period in 2019.

The JobKeeper scheme provided vital support to the College, allowing it to weather the financial and business impacts of COVID-19 in the short-term whilst fully maintaining staffing levels and all of the College's operations and services to the membership. The JobKeeper scheme provided \$2,104,500 in income for the period between April to September 2020 and required the RANZCP to pay eligible staff the minimum legislated amount of \$1,500 per fortnight. Most of the RANZCP staff, with the exception of a few part time employees, received more than the minimum legislated amount. In addition, the RANZCP was eligible to receive \$100,000 from the Cash Flow Boost for Employers initiative (Refer to Note 4 in the accounts for details). The RANZCP did not qualify to receive the second phase of JobKeeper.

The resourcing capacity further supported Board strategic priorities with the expansion and development of initiatives such as the Board Priority Groups, support for the Faculties and Sections, education and training, policy and advocacy activities and the necessary investments to transition to an online environment. Salaries and related oncosts were higher in 2020 reflecting the College's ongoing commitment in recent years towards building and retaining a skilled workforce that meets the needs of the membership with increasing priorities and development of projects.

In addition, there were a number of key initiatives requiring major outlays during the year to meet strategic priorities for the benefit of members. For example, information technology infrastructure and resources were upgraded to embrace

new digital opportunities and support the transition to remote working during the pandemic; resources were deployed to facilitate the RANZCP's expert input into government royal commissions and inquiries into mental health both in Australia and New Zealand; and investments in physical infrastructure were made including additional office space in the Melbourne Head Office building, the New South Wales branch office renovations and the purchase and establishment of a permanent branch office in Western Australia.

This surplus adds to the RANZCP retained earnings and reflected the RANZCP's proactive response to the COVID-19 pandemic, which included reductions in discretionary expenditure, prudent financial management and the successful application of the Australian Government's JobKeeper payment. The strong retained earnings position places the RANZCP on a sound financial footing to future-proof the College's operations moving forward, which is essential given the longer-term impacts of the pandemic are yet unknown.

The movement in the fair value of the investment portfolio is an unrealised loss of \$522,080 (2019: an unrealised gain of \$1,497,750).

As at 31 December 2020 the value of the RANZCP investment portfolio with JBWere was \$10,428,453. This includes \$2,849,801 in a cash management trust account.

The 2020 unrealised loss of \$522,080 on a portfolio value of \$10,428,453 indicated a 5.01% decrease in capital for 2020. Taking this into account, the overall portfolio produced a return for the RANZCP of 1.20% after expenses in comparison to the ASX 200 Accumulation Index which decreased by 1.45% over this period.

2020 saw local and international sharemarkets reach record highs in January until COVID-19 took hold and dominated the economic landscape for the remainder of the year. Prior to the downturn in sharemarkets, the RANZCP liquidated securities in the portfolio used as bridging finance to fund the purchase of Level 4, 313 La Trobe Street in the Melbourne Head Office building. This resulted in realising gains which reduced the impact of unrealised losses on investments following a decrease in market values

of shareholdings due to COVID-19. For the remainder of 2020 a conservative approach was adopted whereby approximately half of the RANZCP portfolio was invested in Australian and International Equities with the balance of the portfolio invested in defensive asset classes such as cash and fixed interest securities. The RANZCP portfolio is well diversified and performance continues to be regularly monitored to ensure asset allocations are in accordance with the RANZCP's investment policy.

The Specialist Training Program (STP) is well established within the RANZCP with continued management of training posts and support projects. Under the Standard Funding Agreement and Deed of Variation 4, the RANZCP continues to manage up to 160 full-time equivalent (FTE) training posts for the Specialist Training Placements and Support project, 3 FTE training posts and 1.31 FTE supervisor positions for the Tasmanian project and 34 FTE training posts for the Integrated Rural Training Pipeline Specialist Training Program (IRTP-STP) in 2021.

Total revenue recognised during the year for the Specialist Training Placements and Support projects is \$20,707,652 (2019: \$21,164,426) and project expenditure equals to \$20,707,652 (2019: \$21,164,426). Total revenue recognised during the year for the STP Tasmanian project is \$911,884 (2019: \$1,071,000) and project expenditure equals to \$911,884 (2019: \$1,071,000). Total revenue recognised during the year for the Integrated Rural Training Pipeline Specialist Training Program is \$4,187,250 (2019: \$3,322,500) and project expenditure equals to \$4,187,250 (2019: \$3,322,500).

Dividends

The Constitution of the RANZCP prohibits it from paying dividends.

Indemnities and insurances

No indemnities have been given or insurance premium paid, during or since the end of the financial year, for any person who is or has been an auditor of the RANZCP.

The RANZCP insurance provides coverage for staff and Fellows undertaking activities under College business.

Proceedings on behalf of the company

No person has applied for leave of court to bring proceedings on behalf of the RANZCP or intervene in any proceedings to which the RANZCP is a party for the purpose of taking responsibility on behalf of the RANZCP for all or any part of those proceedings.

The RANZCP was not a party to any such proceedings during the year.

Subsequent events

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments

There are no likely developments in the operations of the RANZCP that will result in significant change to the core operations in subsequent financial years upon which the directors consider there is a need to comment at this time.

Directors' benefits

Since the end of the previous financial year no director has received or become entitled to receive any benefits (other than a benefit included in the aggregate

amount of emoluments received or due and receivable shown in this report) by reason of a contract made by the RANZCP with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Directors are required to pay membership subscriptions at the rates applying to other members and are entitled to discounts only when such discounts are available to all members.

Key objectives and strategic priorities overview

The RANZCP vision is to improve the mental health of communities through high quality psychiatric care, education, leadership and advocacy.

1. Advance the profession

The RANZCP is committed to advancing the profession through supporting best practice training and professional development to facilitate members' delivery of high quality psychiatric care.

In 2020, the Education Committee approved various supportive measures to accommodate trainees and SIMG candidates in their training during the COVID-19 pandemic, to enable them to continue in their trajectory towards Fellowship while experiencing interruptions in their training and assessment.

During 2020, e-learning experienced significant expansion in the development of training and continuing professional development (CPD) resources to support our members when face to face activities were not achievable. InTrain continued to develop essential training features for the benefit of all users including Trainees, Supervisors, Directors of Training and College administration staff. The system continues to significantly reduce the reliance on paper-based processes and make training information readily available to users, with enhanced reporting capacity. In 2020, we have been able to transition to a new Learning Management System (LMS) and were successful in transitioning the UK Psych College CPD related modules to our own hosting platform.

There had been a number of quality improvements in the processes of specialist international medical graduate education (SIMGE) assessments, application processes and policy/SOP development to cater to the changes implemented that have supported trainees and specialist international medical graduates (SIMGs) during the pandemic. 2020 saw a deferral of CPD completion to better support members while they may have been deployed or experiencing work and personal challenges during COVID-related restrictions and lockdowns. Education and Training closely followed the direction set by the Australian Medical Council and the Medical Council of New Zealand in relation to compliance obligations in CPD, training and accreditation.

The number of committee meetings increased during 2020 in all areas of Education and Training to accommodate urgent matters and to attain better governance oversight of the activities and changes in Education during the year. Several Steering Groups were established to oversee operational and strategic development, and the changes the College needed to make to ensure our trainees become qualified psychiatrists and meet the escalating demands of the communities. The College for the first time delivered a successful AVOSCE in November 2020, and together the Committees for Examinations and Education and the Board are working towards the development of a sustainable and feasible plan for 2021 to enable robust assessments while still ensuring safety and wellbeing of all those who participate in the examinations.

Education is commencing significant work to address the recommendations of the Australian Council for Educational Research (ACER) review in relation to the quality improvement in the RANZCP examinations, their processes and alignment of training and assessment to better enable skill development and fit for purpose assessment programs.

The RANZCP is committed to engaging with mental health organisations locally and internationally in order to lead within the mental health sector and influence

the development of policy and practice. In 2020, the RANZCP advocacy regarding access to telehealth was critical and the RANZCP will continue to work with the Department of Health on the future use of telehealth in psychiatry. Members also represent the RANZCP on a wide variety of external committees and advisory groups to ensure psychiatric expertise is incorporated into a broad range of initiatives and policy changes.

The RANZCP is also committed to act as a mental health leader within the Pacific region. In 2020, in partnership with the World Psychiatric Association, the RANZCP awarded a small number of grants to mental health workers in Pacific nations to support them with activities to relieve need in emergencies. While work was delayed due to the COVID-19 pandemic, the Pacific Steering Group continues to scope opportunities to further support Pacific nations.

2. Improve the mental health of communities

The RANZCP works to improve the mental health of the community and partners with people who have lived experience of mental illness and their families/carers to promote mental health care and recovery. A priority in this area is to achieve improved mental health outcomes for Māori and Aboriginal and Torres Strait Islander peoples.

The RANZCP's Practice, Policy and Partnerships Committee (PPPC), and its six constituent committees, promote and support best practice mental health care for all communities and encourages and promotes research in psychiatry to improve care.

The RANZCP's PPPC advocates for mental health care resourcing commensurate with the burden of disease, equitable access to mental health care services as well as non-clinical support, and improvement in physical health care for people living with mental illness. It also aims to better inform the community about mental health care and the range of treatments available.

3. Meet the needs and expectations of members

Providing support for members and enriching the collegiate experience is a core objective of the RANZCP, and we are committed to enhancing the value of membership in particular through the provision of relevant services and resources which address the specific practice, professional and educational needs of members.

The RANZCP's Membership Engagement Committee (MEC) has a broad high-level oversight of membership engagement activities, including providing guidance in relation to member support programs and advising on effective communication strategies.

The MEC accomplished several projects and initiatives in 2020, reflecting RANZCP's commitment to supporting psychiatrists and trainees by enhancing the value of College membership. These included: launching a new online Member Wellbeing Support Hub; delivering a new RANZCP mentoring program to 250 participants; coordinating e-learning sessions, and publishing video content designed to support wellbeing; introducing new virtual discussion forums for members; launching a new member recognition program; and conducting a large-scale member wellbeing survey.

Members Liability

	2020	2019
Capital capable of being called up in the event of and for the purpose of winding-up is no more than \$20 per member		
Total number of members	7,032	6,739
Total amount @ \$20 per member	\$140,640	\$134,780

Industry engagement

To promote transparency in relation to the RANZCP's engagement with industry, RANZCP acknowledges the following support of College activities:

- » Australian and New Zealand Journal of Psychiatry (ANZJP): Janssen, Lundbeck Australia.
- » Eddie Young Training Event, Queensland: Janssen.
- » Section of Neuropsychiatry 2020 virtual conference: Merck Healthcare Pty. Ltd., Pfizer Australia Pty. Ltd., Eisai.

Environmental issues

The RANZCP is committed to reducing its carbon footprint. The 2020 annual report will again be distributed to members

electronically, 2021 membership subscription notices will continue to be issued by email and all papers for the weekly Executive Committee meeting and most branch newsletters continue to be distributed electronically. Committees were encouraged to replace face-to-face meetings where appropriate with teleconferences as well as videoconferences to reduce air travel.

The RANZCP has fully transitioned its journals Australasian Psychiatry (APY) and Australian and New Zealand Journal of Psychiatry (ANZJP) to an online environment.

The RANZCP continues to monitor and work with its investment advisors and is looking into divesting from companies exposed to fossil fuels to ensure the investment portfolio reflects the values of the RANZCP and aligns with the interests of its stakeholders.

Auditor's independence declaration

A copy of the auditor's independence declaration is set out on page 11 and forms part of the Directors Report for the year ended 31 December 2020.

On behalf of the directors:



A/Prof John Allan
President

26 March 2021

Directors' declaration

The directors of the RANZCP declare that:

1. The financial statements and notes as set out in pages 14–33 are in accordance with the Australian Charities and Not-for-profits Commission Act 2012, *including*:
 - a. Complying with Australian Accounting Standards and the Australian Charities and Not-for-profits Commission Regulations 2013;
 - b. Giving a true and fair view of the RANZCP's financial position as at 31 December 2020 and of its performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the RANZCP will be able to pay its debts as and when they become due and payable.

On behalf of the directors:



A/Prof Vinay Lakra
Chair, Audit Committee

26 March 2021



A/Prof Neeraj Gill
Chair, Finance Committee

26 March 2021

Auditor's independence declaration



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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of The Royal Australian and New Zealand College of Psychiatrists for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Australian professional accounting bodies; and
- (ii) any applicable code of professional conduct in relation to the audit.

Rsm

RSM AUSTRALIA PARTNERS

K J Dundon

K J DUNDON
Partner

Dated: 26 March 2021
Melbourne, Victoria

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Independent auditor's report



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INDEPENDENT AUDITOR'S REPORT

To the Members of The Royal Australian and New Zealand College of Psychiatrists

Opinion

We have audited the financial report of The Royal Australian and New Zealand College of Psychiatrists, which comprises the statement of financial position as at 31 December 2020, 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 declaration by those charged with governance.

In our opinion, the financial report of The Royal Australian and New Zealand College of Psychiatrists has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (a) giving a true and fair view of the registered entity's financial position as at 31 December 2020 and of its financial performance and cash flows for the year ended on that date; and
- (b) complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for Opinion

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

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

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Liability limited by a scheme approved under Professional Standards Legislation



**Other Information**

Those charged with governance are responsible for the other information. The other information comprises the information included in The Royal Australian and New Zealand College of Psychiatrists' annual report for the year ended 31 December 2020, but does not include the financial report and the 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 Management and Those Charged with Governance for the Financial Report

The directors of the registered entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 Royal Australian and New Zealand College of Psychiatrists' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate The Royal Australian and New Zealand College of Psychiatrists or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

A handwritten signature in blue ink that reads 'Rsm'.

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink that reads 'K J Dundon'.

K J DUNDON
Partner

Dated: 26 March 2021
Melbourne, Victoria

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2020

	Note	2020 \$	2019 \$
Revenue from continuing activities			
Operating revenue			
Subscriptions		9,044,312	8,653,742
Training and exam fees		6,799,007	7,095,039
Publications		556,893	605,593
Specialist Training Program and other projects		25,806,786	25,557,926
Other operating income		42,633	560,599
Total operating revenue	3	42,249,631	42,472,899
Non-operating revenue			
Investment and other revenue	4	2,588,745	707,146
Total non-operating revenue		2,588,745	707,146
Total revenue from continuing activities		44,838,376	43,180,045
Expenses for continuing activities	6		
Salaries and related oncosts		10,578,205	8,806,593
Travel and meeting expenses		639,938	2,369,839
Occupancy costs		616,826	767,038
Depreciation and amortisation		1,153,483	985,087
Finance costs		9,142	5,730
Publications		117,551	345,927
Honorariums		219,672	261,561
Other employment expenses		300,795	1,036,432
Professional services		1,052,838	1,185,060
Specialist Training Program and other projects		25,806,786	25,557,926
Other operating expenses		1,064,889	681,717
Total expenses for continuing activities		41,560,125	42,002,910
Surplus for the year		3,278,251	1,177,135
Other comprehensive income			
<i>Items that will not be subsequently reclassified to profit or loss</i>			
Gain on revaluation of property, plant and equipment	11	605,936	749,791
Net change in market value of financial assets designated at fair value through other comprehensive income	5	45,860	1,505,047
Other comprehensive income for the year		651,796	2,254,838
Total comprehensive income for the year attributable to members of RANZCP		3,930,047	3,431,973

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

Statement of financial position

As at 31 December 2020

	Note	2020 \$	2019 \$
Assets			
Current assets			
Cash and cash equivalents	7	25,327,569	25,036,227
Trade and other receivables	8	554,761	1,043,957
Other assets	9	777,342	1,181,548
Other financial assets	10	8,154,056	5,851,888
Financial assets designated at fair value through other comprehensive income	10	7,578,652	10,476,440
Total current assets		42,392,380	43,590,060
Non-current assets			
Property, plant and equipment	11	21,757,558	17,401,652
Intangible assets	12	1,207,964	1,507,270
Right-of-use assets	13	146,235	88,431
Total non-current assets		23,111,757	18,997,353
Total assets		65,504,137	62,587,413
Liabilities			
Current liabilities			
Trade and other payables	14	22,066,949	23,740,122
Lease liabilities	15	98,445	51,159
Employee benefits	16	2,072,772	1,537,927
Total current liabilities		24,238,166	25,329,208
Non-current liabilities			
Lease liabilities	15	51,794	39,609
Employee benefits	16	207,276	141,742
Total non-current liabilities		259,070	181,351
Total liabilities		24,497,236	25,510,559
Net assets		41,006,901	37,076,854
Equity			
Retained earnings	17	20,900,344	17,598,402
Foundation fund		6,473,913	6,473,913
Asset revaluation reserve		12,068,256	11,462,320
Investment reserve		1,088,091	1,042,231
Kinsman Bequest		441,158	464,849
General Bequest reserve		35,139	35,139
Total equity		41,006,901	37,076,854

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

Statement of changes in equity

For the year ended 31 December 2020

	Retained earnings	Foundation fund	Reserves				Total
			Asset revaluation	Investment reserve	Kinsman Bequest	General Bequest	
	\$	\$	\$	\$	\$	\$	\$
Balance at 31 December 2018	16,397,575	6,473,913	10,712,529	(462,816)	488,541	35,139	33,644,881
Surplus after income tax expense for the year	1,177,135	-	-	-	-	-	1,177,135
Other comprehensive income for the year, net of tax	-	-	749,791	1,505,047	-	-	2,254,838
Transfer to/(from)	23,692	-	-	-	(23,692)	-	-
Balance at 31 December 2019	17,598,402	6,473,913	11,462,320	1,042,231	464,849	35,139	37,076,854
Surplus after income tax expense for the year	3,278,251	-	-	-	-	-	3,278,251
Other comprehensive income for the year, net of tax	-	-	605,936	45,860	-	-	651,796
Transfer to/(from)	23,691	-	-	-	(23,691)	-	-
Balance at 31 December 2020	20,900,344	6,473,913	12,068,256	1,088,091	441,158	35,139	41,006,901

The statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

For the year ended 31 December 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Receipts from members and others (inclusive of GST)		44,367,646	40,216,021
Receipts from JobKeeper and Cash Flow Boost		2,204,500	-
Payments to suppliers and employees (inclusive of GST)		(42,714,347)	(45,886,006)
Dividends, distributions and imputation credits received		411,311	497,332
Interest received		94,728	196,790
Interest and other finance costs paid		(9,142)	(5,730)
Net cash provided by / (used in) operating activities	19	4,354,696	(4,981,593)
Cash flows from investing activities			
Payments for property, plant, equipment and intangible assets		(4,493,528)	(930,021)
Payment for deposit on building		-	(473,591)
Payments for investments		(2,581,977)	(1,832,035)
Receipts from trading in investments		3,121,103	574,801
Net cash (used in) investing activities		(3,954,402)	(2,660,846)
Cash flows from financing activities			
Repayment of lease liabilities		(108,952)	(104,165)
Net cash (used in) financing activities		(108,952)	(104,165)
Net increase / (decrease) in cash and cash equivalents held		291,342	(7,746,604)
Cash and cash equivalents at the beginning of the financial year		25,036,227	32,782,831
Cash and cash equivalents at the end of the financial year	7	25,327,569	25,036,227

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

Notes to the financial statements

For the year ended 31 December 2020

Note 1: General information

The financial report covers The Royal Australian and New Zealand College of Psychiatrists (RANZCP) as an individual entity. The Royal Australian and New Zealand College of Psychiatrists is a company limited by guarantee, incorporated and domiciled in Australia.

The operations of the RANZCP are to promote the study of psychiatry and investigation and research in psychiatry, to bring together psychiatrists for their common benefit and for scientific discussion, to disseminate knowledge of the principles of psychiatry and to conduct examinations for qualifying for membership of the RANZCP.

The registered office of the RANZCP is 309 La Trobe Street Melbourne 3000.

The financial report was authorised for issue by the directors on the date of the directors' declaration.

Note 2: Significant accounting policies

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted

The RANZCP has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The adoption of these new Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the RANZCP.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

The financial report is a general purpose financial report that has been prepared in accordance with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards, and Interpretations of the AASB and complies with other requirements of law, as appropriate for not-for-profit oriented entities. The RANZCP is a not-for-profit entity for the purpose of preparing the financial statements.

Accounting Standards include Australian equivalents to International Financial Reporting Standards. A statement of compliance with International Financial Reporting Standards cannot be made as the RANZCP is considered to be a not-for-profit entity and has prepared the financial statements in accordance with the requirements regarding not-for-profit entities as contained in Australian Accounting Standards.

Reporting basis

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets for which fair value basis of accounting has been applied.

The financial report is presented in Australian dollars.

Accounting policies

(a) Company limited by guarantee

In the event of the RANZCP being wound up, where the assets are insufficient to meet the liabilities, each member of the RANZCP is liable to contribute no more than \$20.

(b) Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management

continually evaluates their judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume reasonable expectation of future events and are based on current trends and economic data, obtained both externally and from within the RANZCP.

Key estimates – Impairment

The RANZCP assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the RANZCP that may lead to impairment of assets. Where impairment triggers exist, the recoverable amount of the asset is determined. This involves fair value less costs to sell or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Estimation of useful lives of assets

The RANZCP determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

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 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 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 Australian corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold

improvements; and the costs and disruption to replace the asset. The entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

(c) Comparatives

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures.

(d) Foreign currencies

Amounts received in foreign currency are translated at the spot rate on the date of the transactions with any balances of foreign currency denominated accounts (NZD) being translated at the rate at the reporting date. All differences are taken to profit or loss.

(e) Taxes

Income taxes

No income tax is payable on the net income for the period as outlined in section 50-5 of the *Income Tax Assessment Act 1997* and endorsed by the Commissioner of Taxation and Registrar of the Australian Business register.

As the RANZCP is exempt from income tax the requirements of Australian Accounting Standards in relation to income tax do not apply.

Goods and Services Tax (GST)

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

- » Where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- » Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

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

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the taxation authority.

(f) 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 classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 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 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

(g) Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the RANZCP is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the RANZCP: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Note 3 categorises operating revenue based on the timing of when revenue from contracts with customers is recognised.

Subscriptions and training fees

Subscription and training revenue are recognised for the period in which the member has subscribed for. The subscription and training fee is payable annually for the period 1 January to 31 December.

Project grants

Grant revenue is recognised in profit or loss when the RANZCP satisfies the performance obligations stated within the funding agreements.

If conditions are attached to the grant which must be satisfied before the RANZCP is eligible to retain the contribution, the grant will be recognised in the statement of financial position as a liability until those conditions are satisfied.

Exam fees

Exam fees are recognised when the exam has taken place. Exam revenue received in advance is treated as income in advance until the exam has taken place.

Interest revenue

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividends and distributions

Dividends and distributions are recognised when received or when the right to receive payment is established.

Other revenue

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

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

The RANZCP has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(j) Financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership.

When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The RANZCP recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the RANZCP's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased

significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(k) Property, plant and equipment

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

Land and buildings

Freehold land and buildings are shown at their fair value, less subsequent depreciation for buildings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the re-valued amount of the asset.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of land and buildings are charged against fair value reserves directly in equity, all other decreases are charged to the statement of profit or loss and other comprehensive income.

Revaluation – Land and buildings

Refer Note 11 for details of most recent valuation.

Office equipment, furniture and fittings and art collection

Office equipment, furniture and fittings and the art collection are measured on the cost basis less depreciation and impairment losses.

The carrying amount of office equipment, furniture and fittings and the art collection is reviewed annually to ensure it is not in excess of the recoverable amount from these assets.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land and the art collection, is depreciated on a straight line basis over their useful lives to the entity commencing from the time the asset is held ready for use.

The depreciation rates used for each class of asset are:

Buildings	2.5–10%
Furniture and fittings	10–20%
Office equipment	20–33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(l) Intangible assets

Costs incurred in developing the software, educational curriculum and training material are recognised as an intangible asset when it is probable that the costs incurred to develop the curriculum will

generate future economic benefits and can be measured reliably. The expenditure recognised comprises all directly attributable costs, largely consisting of labour and direct costs of material. Other development expenditure that does not meet these criteria are recognised as an expense as incurred. The recognised costs are amortised from the date when the asset becomes available for use.

Intangible assets are classified as having a finite useful life and measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight line basis over periods generally ranging from three to eight years.

(m) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The RANZCP has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(n) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying

amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(o) Trade and other payables

Trade payables represent liabilities for goods and services provided to the RANZCP 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. The amounts are unsecured and are usually paid within 30 days of recognition.

(p) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present

value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(q) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

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

Note 3: Operating revenue

	2020 \$	2019 \$
Revenue from contracts with customers by timing of revenue recognition under AASB 15:		
Revenue recognised over time	40,042,289	39,380,637
Revenue recognised at a point in time	2,207,342	3,092,262
Total operating revenue	42,249,631	42,472,899

Note 4: Investment and other revenue

	2020 \$	2019 \$
Investments		
Interest		
» From bank	91,705	188,424
Dividends and distributions		
» From other corporations (JBWere Investment Portfolio)	292,540	518,722
Total investment revenue	384,245	707,146
Other revenue		
Other revenue – JobKeeper and Cash Flow Boost	2,204,500	-
Total other revenue	2,204,500	-
Total investment and other revenue	2,588,745	707,146

Note 5: Net change in market value of financial assets designated at fair value through other comprehensive income

	2020 \$	2019 \$
Change in market value of financial assets designated at fair value through other comprehensive income		
Unrealised change in market value of financial assets designated at fair value through other comprehensive income	(522,080)	1,497,750
Realised change in market value of financial assets designated at fair value through other comprehensive income	567,940	7,297
Net change in market value of financial assets designated at fair value through other comprehensive income	45,860	1,505,047

Note 6: Expenses for continuing activities

	2020 \$	2019 \$
Expenses for continuing activities includes the following specific expenses:		
Superannuation expense		
» Defined contribution superannuation expense	818,888	723,320
Finance costs relating to lease liabilities:		
» Interest expense	9,142	5,730
Depreciation and amortisation expense includes:		
» Depreciation on property, plant and equipment	646,867	565,666
» Amortisation of intangible assets	395,997	312,919
» Depreciation on right-of-use assets	110,619	106,502
Other operating expenses (Includes reimbursement from the Specialist Training Program for central services)	1,064,889	681,717

Note 7: Current assets – Cash and cash equivalents

	2020 \$	2019 \$
Cash on hand	2,149	2,100
Cash at bank:		
» General accounts	2,464,402	1,130,518
» Branch, faculty and section accounts	3,119,284	2,427,258
» Project accounts	19,741,734	21,476,351
Total cash	25,327,569	25,036,227

Note 8: Current assets – Trade and other receivables

	2020 \$	2019 \$
Trade receivables		
Members and trainee subscriptions	556,371	605,601
Other	97,359	90,296
Less allowance for expected credit losses	(267,015)	(186,953)
Sub-total	386,715	508,944
Other receivables		
Investments	104,387	226,182
Net GST receivable	63,659	308,831
Sub-total	168,046	535,013
Total receivables	554,761	1,043,957

Allowance for expected credit losses

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate % 2020	Carrying amount 2020	Allowance for expected credit losses 2020
Ageing analysis			
0 – 30 Days	0.7%	98,803	664
31 – 60 Days	9.3%	2,946	275
61 – 90 Days	0.0%	-	-
90+ Days	37.0%	720,027	266,076
Total receivables		821,776	267,015

Movements in the allowance for expected credit losses are as follows:

	2020 \$	2019 \$
Opening balance	186,953	175,025
Additional provisions recognised	82,942	44,748
Receivables written off as uncollectable/recovered during the year	(2,880)	(32,820)
Closing balance	267,015	186,953

Note 9: Current assets – Other assets

	2020 \$	2019 \$
Prepayments	644,853	498,604
Advances	122,598	183,098
Accrued revenue	9,891	26,255
Deposit on Property	-	473,591
Total other assets	777,342	1,181,548

Note 10: Current assets – Other financial assets and financial assets designated at fair value through other comprehensive income

	2020 \$	2019 \$
Other financial assets		
Short-term deposits – branches, faculties and sections	1,804,209	1,780,355
Short-term deposits – head office	3,500,046	3,732,051
Cash management accounts	2,849,801	339,482
Total other financial assets	8,154,056	5,851,888
Financial assets designated at fair value through other comprehensive income		
Fixed interest securities	2,587,441	3,453,913
Shares	4,991,211	7,022,527
Total financial assets designated at fair value through other comprehensive income	7,578,652	10,476,440
Grand total	15,732,708	16,328,328

Note 11: Non-current assets – Property, plant and equipment

	2020 \$	2019 \$
Freehold land and buildings at valuation	21,532,789	17,170,846
	21,532,789	17,170,846
Furniture and fittings at cost	1,926,980	1,926,980
Accumulated depreciation	(1,864,201)	(1,819,450)
	62,779	107,530
Office equipment at cost	3,780,406	3,698,908
Accumulated depreciation	(3,637,750)	(3,594,966)
	142,656	103,942
Art collections	19,334	19,334
	19,334	19,334
Total property, plant and equipment	21,757,558	17,401,652

Note 11: Non-current assets – Property, plant and equipment (continued)*Reconciliations*

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

2020	Land and buildings \$	Furniture and fittings \$	Office equipment \$	Art collections \$	Total \$
Balance at the beginning of the year	17,170,846	107,530	103,942	19,334	17,401,652
Additions	4,315,339	-	81,498	-	4,396,837
Disposals/Write off	-	-	-	-	-
Asset revaluation increments/(decrements)	605,936	-	-	-	605,936
Depreciation expense	(559,332)	(44,751)	(42,784)	-	(646,867)
Carrying amount at the end of the year	21,532,789	62,779	142,656	19,334	21,757,558

2019	Land and buildings \$	Furniture and fittings \$	Office equipment \$	Art collections \$	Total \$
Balance at the beginning of the year	16,740,361	98,344	116,159	19,334	16,974,198
Additions	124,647	59,296	59,386	-	243,329
Disposals/Write off	-	-	-	-	-
Asset revaluation increments/(decrements)	749,791	-	-	-	749,791
Depreciation expense	(443,953)	(50,110)	(71,603)	-	(565,666)
Carrying amount at the end of the year	17,170,846	107,530	103,942	19,334	17,401,652

	2020 \$	2019 \$
Freehold land and buildings at cost	14,101,040	9,804,944
Accumulated depreciation	(2,546,169)	(2,200,313)
	11,554,871	7,604,631

The directors have assessed the fair value of land and buildings at 31 December 2020 based on advice from Waterhouse Property and Business Valuers. Consequently, land and buildings were revalued to the amounts shown above as at 31 December 2020. The valuations recorded a net increase in the value of the properties with corresponding increase within the Asset Revaluation Reserve.

Property revaluations resulted in the offices at Levels 1 and 2, 309 La Trobe Street, Melbourne being revalued at \$4,986,176, Levels 4 and 7, 313 La Trobe Street, Melbourne each revalued at \$2,662,550 and Level 12, 313 La Trobe Street, Melbourne revalued at \$2,719,200; 761 Darling Street, Rozelle, NSW being revalued at \$3,558,126; Lot 2, 233-235 Greenhill Road, Dulwich, South Australia being revalued at \$1,400,154; Units 23, 24 and 25 on Level 6 at 17 Bowen Bridge Road, Bowen Hills, QLD being revalued at \$1,018,670; Unit 1, 31 Broadway, Nedlands, WA revalued at \$1,206,000 and Unit 301, 11 Chews Lane, Wellington, New Zealand being revalued at \$1,257,765.

Level 4, 313 La Trobe Street, Melbourne is secured against a business finance facility on a three year term to the value of \$2,047,500. As at 31 December 2020 the outstanding balance of the finance facility was nil as cash held by the RANZCP has been deposited in the business finance facility to offset the balance and effectively reduce the bank interest charged on the facility.

Note 12: Non-current assets – Intangible assets

	2020 \$	2019 \$
Balance at the beginning of the year	1,507,270	1,133,497
Additions	96,691	686,692
Impairments for the year	-	-
Amortisation expense	(395,997)	(312,919)
Disposals/Write off	-	-
Total intangible assets	1,207,964	1,507,270

Note 13: Non-current assets – Right-of-use assets

	2020 \$	2019 \$
Land and buildings – right-of-use	57,614	97,631
Additions	117,508	-
Less depreciation	(81,333)	(40,017)
	93,789	57,614
Plant and equipment – right-of-use	30,817	89,080
Additions	50,915	8,222
Less depreciation	(29,286)	(66,485)
	52,446	30,817
Total right-of-use assets	146,235	88,431

The RANZCP leases land and buildings for its branch offices under agreements of between one and three years with an option to extend. On renewal, the terms of the leases are renegotiated. The RANZCP also leases plant and equipment under agreements of between three and four years.

The RANZCP has leases of office equipment that are either short-term or low-value and have been expensed as incurred and not capitalised as right-of-use asset in accordance with Note 2.

Note 14: Current and non-current liabilities – Trade and other payables

	2020 \$	2019 \$
Current		
Creditors	421,070	390,050
Accrued expenses	564,076	197,580
Salaries and wages	507,598	339,203
	1,492,744	926,833
Revenue received in advance – fees	383,361	489,495
Revenue received in advance – exams	472,528	1,123,553
Revenue received in advance – projects	19,516,475	21,036,619
Revenue received in advance – others	21,958	27,340
Donations	179,883	136,282
	20,574,205	22,813,289
Trade and other payables	22,066,949	23,740,122

Note 15: Current and non-current liabilities – Leases

	2020 \$	2019 \$
Current		
Lease liability	98,445	51,159
Non-current		
Lease liability	51,794	39,609
Total lease liabilities	150,239	90,768

Note 16: Current and non-current liabilities – Employee benefits

	2020 \$	2019 \$
Current		
Employee benefits	2,072,772	1,537,927
Non-current		
Employee benefits	207,276	141,742
Total employee benefits	2,280,048	1,679,669
Movement in employee benefits		
Opening balance	1,679,669	1,666,484
Additional provisions	958,359	515,382
Charges against provision	(357,980)	(502,197)
Closing balance	2,280,048	1,679,669

Note 17: Equity

The Foundation Fund was established in 1984 as an amalgamation of a number of College funds.

The asset revaluation reserve was created in 2005 and further increased in the 2009, 2013, and each year from 2015 to 2020 financial years as a result of the revaluations of the RANZCP's land and buildings.

The Kinsman Bequest reserve was established in 1997 and is used to award the Kinsman Research Scholarship. This is paid out of the Kinsman Bequest by the RANZCP to the scholarship recipient's institution under which the research is being conducted.

The General Bequest reserve contains the John Bostock award, the Margaret Tobin award and the Mark Sheldon prize totalling \$35,139.

Note 18: Related party transactions and Directors' remuneration**Key management personnel compensation**

Key management personnel comprise Directors and other persons having authority and responsibility for planning, directing and controlling the activities of the RANZCP. The values below include payments and payables in the form of employee benefits and superannuation contributions:

	2020 \$	2019 \$
Short-term employee benefits	1,560,923	1,496,266
Post-employment benefits	144,515	133,877
Other long-term benefits	43,911	42,002
Total key management personnel compensation	1,749,349	1,672,145

Note 18: Related party transactions and Directors' remuneration (continued)

Directors of the RANZCP

The Directors of the RANZCP during the financial year are included in the Directors' report.

Key management personnel of the RANZCP:

Name
Andrew Peters (Chief Executive Officer)
Scott Butler (Executive General Manager – Bi-National Offices and Professional Practice)
Callie Kalimniou (Executive General Manager – Education and Operations)
Jon Cullum (Executive Manager – Membership and Events)
Rosie Forster (Executive Manger – Practice, Policy and Partnerships)
Anna Lyubomirsky (Executive Manager – Education and Training)
Heng Soong (Executive Manager – Finance and Business Services)

Transactions between related parties

There was \$25,000 paid to the President entitled to an honorarium in 2020 (2019: \$25,000 paid to the immediate past President).

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties (2019: Nil).

Loans to/from related parties

There were no loans to or from related parties (2019: Nil).

Note 19: Cash flow reconciliation

Reconciliation of surplus after income tax to net cash (used in)/provided by operating activities:

	2020 \$	2019 \$
Surplus after income tax expense for the year	3,278,251	1,177,135
Adjustments for non-cash items:		
Dividends and distributions receivable	102,353	(36,866)
Depreciation of non-current assets	1,153,483	985,087
Increase in doubtful debts	80,062	11,928
Change in operating assets and liabilities:		
(Increase)/decrease in assets:		
Trade and other receivables	409,134	(203,588)
Other assets	404,206	112,270
Increase/(decrease) in liabilities:		
Trade and other payables	(1,673,172)	(7,040,744)
Employee benefits	600,379	13,185
Net cash provided by / (used in) operating activities	4,354,696	(4,981,593)

Note 20: Commitments

The company had no commitments for expenditure as at 31 December 2020 and 31 December 2019.

Note 21: Financial instruments

(a) Interest rate risk

	Weighted average interest rate		Fixed interest		Floating interest		Non-interest bearing		Total	
	2020 %	2019 %	2020 \$	2019 \$	2020 \$	2019 \$	2020 \$	2019 \$	2020 \$	2019 \$
Financial assets										
Cash	0.4%	0.5%	-	-	25,325,420	25,034,127	2,149	2,100	25,327,569	25,036,227
Short term deposits and bank bills	1.3%	2.4%	-	-	8,154,056	5,851,888	-	-	8,154,056	5,851,888
Trade and other receivables			-	-	-	-	554,761	1,043,957	554,761	1,043,957
Fixed interest securities	1.2%	2.6%	2,587,441	3,453,913	-	-	-	-	2,587,441	3,453,913
Listed shares, income securities and unit trusts			-	-	-	-	4,991,211	7,022,527	4,991,211	7,022,527
Total financial assets			2,587,441	3,453,913	33,479,476	30,886,015	5,548,121	8,068,584	41,615,038	42,408,512
Financial liabilities										
Trade and other payables – current			-	-	-	-	1,492,744	926,833	1,492,744	926,833
Lease liabilities – current and non-current			150,239	90,768	-	-	-	-	150,239	90,768
Total financial liabilities			150,239	90,768	-	-	1,492,744	926,833	1,642,983	1,017,601

Cash on hand and in the bank of \$25,327,569 is predominantly held with Westpac. Most of the funds relate to Specialist Training Program funding. This money is specifically to be used for the payment of registrar support costs as well as support activities and administration of the program.

(b) Fair value of financial instruments and assets

The fair values and net fair values of financial instrument and assets are determined as follows:

Fair value hierarchy

The following table details RANZCP's assets, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets, either directly or indirectly.

Level 3: Unobservable inputs for the assets.

Note 21: Financial instruments (continued)

2020	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Short term deposits and bank bills	8,154,056	-	-	8,154,056
Fixed interest securities	2,587,441	-	-	2,587,441
Listed shares, income securities and managed funds	4,991,211	-	-	4,991,211
Land and buildings	-	-	21,532,789	21,532,789
Total assets	15,732,708	-	21,532,789	37,265,497

2019	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Short term deposits and bank bills	5,851,888	-	-	5,851,888
Fixed interest securities	3,453,913	-	-	3,453,913
Listed shares, income securities and managed funds	7,022,527	-	-	7,022,527
Land and buildings	-	-	17,170,846	17,170,846
Total assets	16,328,328	-	17,170,846	33,499,174

(i) The following methods and assumptions are used to determine the fair values of assets:

Recognised financial instruments

Trade receivables and payables: The carrying amount approximates fair values due to their short-term nature.

Non-current investments/securities: For financial instruments traded in organised financial markets, fair value is the current quoted market bid price for an asset or offer price for a liability, adjusted for transaction costs necessary to realise the asset or settle the liability.

Land and buildings: These have been valued based on similar assets, location and market conditions. The basis of the valuation of land and buildings is fair value, being the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Note 22: Financial risk management

The RANZCP has exposure to the following risks from use of financial instruments:

- » Credit risk
- » Liquidity risk
- » Market risk

This note represents the RANZCP's exposure to the following risks and processes and policies for managing this risk.

Credit risk

Credit risk is the risk of financial loss to the RANZCP if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the RANZCP's receivables from customers and project activities. The RANZCP has two main receivables: a) paying members and b) government funding.

a) Annual fees earned from paying members (subscribers) are billed at the beginning of the financial year. More than 95% of the RANZCP's members have been paying fees for five years with no credit issues. New members are only raised when they pay their dues and College membership criteria are met. Non-payment may lead to suspension from the RANZCP's membership base.

Any outstanding fees not recoverable are recorded as bad or doubtful debts at year end. In 2020 overdue fees were 3.9% of total membership fees. Overdue fees (Subscriptions, Trainees, Affiliates and CPD) at year end were \$630,280 (2019: \$510,116). The RANZCP is confident of recovering the majority of these outstanding debts in 2021. Any bad debts are written off as incurred.

b) Government funding relates to deliverables in relation to College projects. All funding is receivable provided the criteria associated with the deliverables are achieved and debtor invoices are raised at the time all criteria is met. The risk of not receiving outstanding government funds is considered to be minimal provided all outcomes as per project deliverables are fulfilled.

Note 22: Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The RANZCP's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient short-term funding to meet its liabilities when due, under both normal and stressed conditions. The risk of incurring losses large enough to cause major impact on business is considered to be minimal. All payments due are considered to be more than adequately covered.

The RANZCP ensures that it has sufficient cash on demand to meet expected operational expenses when they fall due. The RANZCP has a business finance facility in place over a 3 year term to the value of \$2,047,500 secured against Level 4, 313 La Trobe Street, Melbourne. The outstanding balance of the finance facility was nil as at 31 December 2020. In 2020 the RANZCP was not in a situation whereby it was not able to adequately cover liabilities and is not expected to be in 2021.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the RANZCP's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The primary goal of the RANZCP's investment strategy is to maximise investment returns within determined risk parameters in order to meet partially the funding obligations to run the RANZCP operations. Management is assisted by external advisors in this regard. In accordance with this strategy, investments are carried at fair value through other comprehensive income because their performance is actively monitored and they are managed on a fair value basis.

The RANZCP market risk is consistent with the overall risk of the performance of the share market. In order to minimise investment value fluctuations, the Board has taken a conservative approach where 52% of the RANZCP's portfolio is held in cash and fixed interest securities. A further 26% is invested in domestic equities that are considered to be "blue chip" equities held in publicly traded entities and the remainder 22% in international shares. This reduces our exposure to market risk which is associated with stock market fluctuations.

Sensitivity analysis

Equity price risk

The RANZCP's equity investments are listed on the Australian Securities Exchange and International Exchanges. For such investments designated at fair value through other comprehensive income, the impact of a 10% movement in price to other comprehensive income would have been an increase or decrease of \$757,865 (2019: \$1,047,644) either way, with no effect on the RANZCP cash flow.

Interest rates risk

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents and fixed interest securities as a result of changes in interest rates. The impact of a 25 basis points movement in interest rate would result in the following movements:

	Impact to Profit or Loss (deposits and fixed interest securities)	
	2020 \$	2019 \$
Interest rates – increase by 25 basis points	95,286	85,850
Interest rates – decrease by 25 basis points	(95,286)	(85,850)

Note 22: Financial risk management (continued)

Remaining contractual maturities

The following tables detail the RANZCP's remaining contractual maturity for its financial liabilities. The figures in the tables are based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid.

2020	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
Trade and other payables – current	-	1,492,744	-	-	-	1,492,744
Lease liabilities – current and non-current	-	98,445	36,807	14,987	-	150,239
Total non-derivatives	-	1,591,189	36,807	14,987	-	1,642,983

2019	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
Trade and other payables – current	-	926,833	-	-	-	926,833
Lease liabilities – current and non-current	-	51,159	28,406	11,203	-	90,768
Total non-derivatives	-	977,992	28,406	11,203	-	1,017,601

Note 23: Company limited by guarantee

	2020	2019
Capital capable of being called up in the event of and for the purpose of winding-up		
» Total number of members	7,032	6,739
» Total amount @ \$20 per member	\$140,640	\$134,780

Note 24: Remuneration of auditors

	2020 \$	2019 \$
During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company.		
Audit services		
» Audit of the financial statements	33,000	35,000
» Other assurance services	4,200	4,200

Note 25: Contingent liabilities

The company had no contingent liabilities as at 31 December 2020 and 31 December 2019.

Note 26: Subsequent events

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially positive for the company up to 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

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Associate Professor Vinay Lakra
President-Elect

Associate Professor Neeraj Gill
Elected Director

Associate Professor Beth Kotze
Elected Director

Dr Sue Mackersey
Elected Director

Dr Elizabeth Moore
Elected Director

Dr Nick O'Connor
Elected Director

Chief Executive Officer

Mr Andrew C Peters



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