THE AVA BOARD

PRESIDENT
Dr Julia Nicholls

TREASURER
Dr Sue Beetson

VICE PRESIDENT
Dr David Neck

DIRECTOR
Dr Malcolm McLennan

DIRECTOR EVA NOMINEE
Dr Christopher Reardon

DIRECTOR ACV NOMINEE
Dr Robert Bonanno

DIRECTOR
Dr Robert Johnson

DIRECTOR
Professor James Gilkerson

DIRECTOR
Dr Ben Gardiner

CORPORATE SUPPORTERS

Platinum Affinity partner
Guild Insurance

Platinum supporter
Hills

Gold education supporter
PROVET

Gold supporter
BOQ Specialist

Gold supporter
ROYAL CANIN

Gold supporter
Elanco

Gold supporter
IdeXX Laboratories

Silver supporter
iHill’s

Silver supporter
Jurox

Silver supporter
Zoetis
Taking on the role of the AVA national president in May 2014 was the highlight for me of what has been a lifelong passion for our profession. I still feel proud and honoured to serve in this demanding but incredibly satisfying role.

As president, I am involved in most of the big national issues that are important to our profession, and the achievements I’m most proud of from 2014 relate to our policy and advocacy work. When we decided in 2013 to invest greater efforts and resources into becoming a more effective voice for the veterinary profession, we envisaged many of the achievements that we can now claim.

We have signs of members becoming more aware of our work and achievements as well. Our annual advocacy survey revealed improvements across the board in how our members rate and understand our advocacy work. The mean ratings for identical or similar questions all improved compared to the 2013 survey. Member ratings on the effectiveness of our media program significantly improved over the previous year with a mean score of 3.8 (on a 5-point scale) compared to 3.2 in 2013.

Our advocacy program to speak on behalf of the profession is centred on five strategic priorities and we made significant progress on each of these during 2014.
PLANNING AN EFFECTIVE VETERINARY WORKFORCE

We undertook a major campaign against the higher education reforms announced in the May 2014 Federal Budget because the proposed changes were likely to result in future veterinarians being burdened with unsustainable debt levels for much or all of their working life. By December 2014, amended legislation which reversed the proposed increase in interest rates for higher education loans had been rejected by the Senate.

This campaign is critical to our efforts in relation to both the workforce and economic sustainability strategic priorities. It was an important opportunity for significant engagement with every vet school dean, establishing one-on-one relationships that will be important for future work in these areas.

Other work on this priority area included the annual veterinary workforce survey, preparation for the nation’s first ever comprehensive veterinary workforce forecasting report, and efforts to have veterinarians removed from the Skilled Occupations List which is instrumental to allowing skilled migration into Australia.

ENSURING ECONOMIC SUSTAINABILITY

Significant preparatory work was undertaken in 2014 on the upcoming review of the Animal Care and Veterinary Services Award, including gathering feedback from employer and employee members, seeking detailed legal advice, gaining an understanding of the review process in order to engage with it effectively, and making a preliminary issues submission.

Research was conducted on community perceptions of the veterinary profession in relation to those treating pets. There was a particular focus on perceptions about veterinary fees. Additional research was also undertaken focussing on the livestock sector. In particular, the research sought insights on the economic and other drivers for livestock producers to use veterinary services.

We released the Pet Insurance Guidelines which are being promoted broadly across the AVA. A member survey was conducted to feed into the development of the guidelines and the taskforce’s work agenda. We also met with the two main insurers to work together on improving insurance for both vets and pet owners.

FILLING THE GAP IN GOVERNMENT VETERINARY SERVICES

Work in 2014 related largely to exploring options for more effective disease surveillance through industry and private veterinarians. We also identified the need to articulate and quantify the level of government-employed veterinarians needed to support our agricultural industries effectively.

BETTER REGULATION

A key milestone was achieved in 2014 with the release of the model principles for veterinary practice acts. It has come at a time when major reviews are underway in both Queensland and WA, and the AVA is investing significant time and energy to participating in these review processes.

National recognition of veterinary registration was enacted in South Australia and came into effect on 1 January 2015. This is the fifth jurisdiction to include this provision in legislation.

The Supreme Court decision in favour of Racing NSW was a disappointment. After the case, Racing NSW deferred their licence rule and a year later no veterinarian has been licenced in either NSW or Qld. We expect this issue to be present on the horizon for the foreseeable future.

FIGHTING ANTIMICROBIAL RESISTANCE

This strategic priority has helped us participate in the One Health efforts happening at federal level on this important issue. We commented on the discussion paper ‘Developing a national antimicrobial resistance strategy for Australia’ and attended stakeholder consultation meetings in relation to establishing ongoing monitoring and surveillance in animals on antimicrobial resistance and antibiotic usage. Our continued participation on the national organising committee for Antibiotic Awareness Week remains an important contact point with human health organisations working on the antimicrobial resistance challenge.

OTHER HIGHLIGHTS

In the early months of the year we communicated our concerns with The Hon. Barnaby Joyce about the abolition of the Standing Committee on Primary Industries and the Australian Animal Welfare Strategy. Since then, we have developed more structured and persuasive arguments about the productivity benefits for producers in high animal welfare standards, and these points were outlined in our submission to the Agricultural Competitiveness Green Paper. At the same time, there have been efforts to provide leadership in continuing the work of AAWS in a non-government environment. AVA paid to update and host the continuation of the AAWS website while these discussions are ongoing.

Hendra vaccine issues continued to be part of our agenda, and in 2014 we made representations to APVMA in relation to full registration of the vaccine (particularly the important role of veterinary practitioners), and to the trade minister seeking resolution of issues with exporting vaccinated horses to particular countries.

This is just a sample of the breadth and depth of our advocacy program on behalf of Australia’s veterinarians. It is a great privilege both to contribute to these achievements, and to speak on behalf of the profession that means so much to me.

Julia Nicholls
PRESIDENT
In 2014, we continued to build on our efforts and investment in being a more effective advocate for the veterinary profession. Those efforts are now starting to bear fruit, and you can read about some of our achievements in policy and advocacy in the president’s report.

MEMBERSHIP

Continuing the growth in membership we have been able to achieve over the past few years remains a focus for the AVA, and the key indicator of our success in delivering both advocacy and tangible member benefits.

With over 400 new members joining, and our student membership program continuing strongly, we achieved a total of 8377 members at 30 June 2014, comprised of 5575 veterinarian members and 2776 student members. We also set out to ensure that 90% of our members renewed for the 2014-15 financial year, and I’m pleased to report that we achieved a 93% retention rate.

We focussed our attention in 2013 on developing and marketing a new membership offering for recent graduates, and these efforts continued in 2014. It is pleasing to report that 72% of first year graduates who remained in Australia became AVA graduate members in 2014. Our longer term goal is to ensure that at least 90% of our AVA student members continue to be part of the AVA after graduation, so there is much more to do to ensure AVA membership is a genuine necessity for vets to join for their professional life.

The board recognises that we need to be flexible and innovative if we are to achieve our membership aspirations, and this is reflected in some of our initiatives. We’ve conducted extensive research and development to support a trial program for practice-based subscriptions in 2015. This trial will test a new offering for practice owners where they can receive special benefits for paying for all their employed veterinarians to be AVA members.

We have also established agreements with large veterinary employers to support the AVA membership of all their employed veterinarians.

STRUCTURE AND SUPPORT

As the AVA evolves, the support needs of our special interest groups (SIGs) and divisions are also developing. Our group executive officers have taken on additional responsibilities to provide support and advice to the smaller SIGs. This in turn has
increased demand for some of our corporate services in event management, communications and sponsorship, and we are working to improve our systems and processes in these functions to help deliver expanded services to all AVA groups.

2014 also saw some significant and major upgrades to our IT infrastructure. These included work done on our database, website software, and a range of associated systems.

**CONTINUING PROFESSIONAL DEVELOPMENT**

Advancing and promoting veterinary science is central to our mission and we had another great year of work in this area. In 2014 a total of 102 AVA continuing professional development events were promoted on our Vet Ed calendar; 87 conferences or workshops and 25 webinars.

A highlight was the World Buiatrics Congress held in Cairns. Almost 1000 paying delegates attended, and the event was the culmination of several years’ hard work by the conference organising committee and the Australian Cattle Vets SIG.

The Annual Conference in Perth attracted 720 paying delegates and exceeded our expectations. Industry support was also strong with stands and breakfast and lunch session sponsorship selling out.

Our corporate supporters and medallion sponsors continue to invest in the AVA and its Annual Conference, and we continue to work hard to ensure our events are a valuable investment.

Finally, it was very gratifying to launch our expanded Vet Ed library. It includes not only AVA conference proceedings and journals, but also a range of international journals across related subject areas. We look forward to this becoming an invaluable resource over the coming years for all members at any stage in their careers.

**CORPORATE SUPPORT**

We were very pleased to sign Elanco, Jurox and Zoetis, as new corporate supporters in 2014. They join a group of highly committed corporate supporters, who make a significant investment in the veterinary profession through AVA activities.

Guild Insurance is our platinum affinity partner, providing invaluable insurance and other benefits to AVA members. As a platinum corporate supporter, Hill’s Pet Nutrition supports a vast range of activities large and small to demonstrate a commitment to the veterinary profession.

Provet is our gold education supporter, and the company particularly invests in our work in continuing professional development for veterinarians.

Royal Canin, BOQ Specialist, Troy Laboratories Australia and Zoetis are all gold supporters involved across a range of groups and activities. Our silver supporters Idexx Laboratories and Jurox have also demonstrated their commitment to the profession.

Many thanks to our other affinity partners Diners Club and Bupa for their support throughout 2014.

**OUR PEOPLE**

One of the AVA’s critical success factors is having the right people, with the right skills and the right resources. We have 50 paid employees and almost 300 volunteers, who all work together to achieve our goals and ambitions.

I would like to acknowledge and thank all of our people: employees, our dedicated board, staff, and all those who contribute to their AVA through roles with groups and committees.

The relationship between Chairman and CEO is a critical one for any organisation, and I’d like to thank our President, Dr Julia Nicholls, for her support and enormous contribution over the past 12 months. I’d also like to thank my own leadership team, the AVA’s national managers, for their commitment and hard work over the year.

Finally, I want to thank all our members. At the end of the day an association can only be as strong as its members, and the engagement and commitment of members remains our greatest asset.

**Graham Catt**

CEO

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**2014 AWARD RECIPIENTS**

Congratulations to the AVA’s 2014 award recipients.

**President’s Award**
- Dr Helen Fairnie Jones

**Kesteven Medal**
- Dr Mary Young

**Gilruth Prize**
- Dr Michael Rickards

**Excellence in Teaching**
- Dr Tony Mogg

**Fellows**
- Dr Andrew Easton
- Dr Julia Nicholls

**Meritorious Service Awards**
- Dr David Hucker
- Dr Susan Beetson
- Dr William Harkin
- Dr George Downing
- Dr Brian McErlean
- Dr Christine Johnson
- Dr Samantha McMahon

**Don Kerr Veterinary Student Award**
- Lachlan Strohfeldt

**Honorary Member**
- Professor Paul Hemsworth

**Honorary Member**
- Springfield District Veterinary Clinic – small animals
- Pacific Vetcare – large animals
Financial Operating Result

The 2014 consolidated operating result for AVA was a surplus of $768,827 of which the parent entity operating result was a surplus of $52,295. This was a solid and pleasing result.

This difference between the consolidated result and that of the AVA as the parent entity alone highlights the consolidated status of the AVA Financial Statements. The Financial Statements are the combination of the statements of the legal entity which is “The Australian Veterinary Association Limited” itself and the AVA trusts. The AVA is required by relevant accounting standards to produce consolidated accounts on this basis. In 2014 the reason for the higher consolidated surplus is the receipt of a significant donation of $700,000 by the Australian Companion Animal Health Foundation.

This AVA parent entity result provided a positive variance (of over $300,000) to the forecast AVA annual budget result of a deficit of $250,000.

These financial statements also disclose comprehensive income by making allowance for significant unrealised gains on AVA freehold property and investments. The total comprehensive result for the consolidated AVA for the year was a surplus of $785,930. The comprehensive result for the AVA parent entity alone was a surplus of $69,398.

The main highlights of the AVA financial year from January 2014 to December 2014 were:

• finalisation of the Racing NSW legal case (refer below)
• total revenue reached $13.0m, an increase of 19% over 2013 (with the presence of the ACAHF donation and a higher scale of conference activity being important contributors). Moreover the achievement of the positive variance to the 2015 budget was founded on above budget income performance
• continued strong financial management and budget adherence of the 80 groups within the AVA with some very strong conference results
• significant growth in subscription income to over $3.6m, an increase of 15% over 2013
• the surplus achieved on the 2015 AVA National Conference in Perth was one of the highest of recent years (based on significantly lower costs per delegate)
• the successful conduct of 2 major international conferences by AVA SIGs (ACV and UPAV), both in Cairns – these being the World Buiatrics Conference and “Topical and Tropical” Combined Exotics and Avian Conference
• expenditure on the core activities of veterinary conferencing and publications amounted to over $5.1m in direct costs (excluding other shared costs such as salaries which contribute to these core activities)
• the value of the AVA investment portfolio with Macquarie Bank grew by 6.5% ($190,000) during the course of 2014
• higher levels of valued commercial support
• the support of an important range of new projects (referred to in the President Report)

In 2013, the AVA resolved to fight the constant attempts by Racing NSW to license veterinarians treating thoroughbred horses in training. The AVA therefore supported a legal challenge to the proposed licensing rules. Members may refer to the 2013 Financial Statements for
deposits ($5.796m). The managed funds
As at the end of 2014, AVA held financial
Investment performance
$9.512m and a secure current ratio of 1:30.
with the parent holding net assets of
December 2014 held total assets of
AVA remains in a sound position and at
Balance sheet
AVA remains in a sound position and at
December 2014 held total assets of
$15.656m and net assets of $11.354m,
Financial results over which we have direct
control are described as ‘parent’ and the
trusts are excluded. The comprehensive
income (or loss) allows for the recognition
of changes in fair value of property and
available-for-sale assets.

INVESTMENT PERFORMANCE
As at the end of 2014, AVA held financial
investments in the form of managed funds
($1.041m), equities ($1.771m) and term
deposits ($5.796m). The managed funds and equities balances rose by $190,000
reflecting a year of continuing improvement in
world equity markets. These funds continue to
be managed by Macquarie Bank and the
Finance Committee meets periodically with
Macquarie Bank to review this performance.
We also review our minimum cash balances
required for operations and continue to hold
funds in excess of this need as a secure
form of investment in term deposits. These
deposits yielded an average weighted return
of approximately 3.4% at 31 December 2014.
The interest rates available for AVA funds
have continued to fall in accordance with
market conditions in the past year. The impact
of this fall was such that interest income
derived by the AVA parent entity was
$36,000 below the expected budget level for
the full year. The AVA engages an external
rate adviser (Secure Investments) to advise on
the range of best rate outcomes available in
financial markets for the terms required.

PROPERTY AND EQUIPMENT
During 2014 there were no major property
or asset acquisitions. The AVA holds five
offices as freehold and these assets, when
combined with relevant plant and
equipment, hold a book valuation of
$5,090m as at 31 December 2014. In the
course of preparing these 2014 accounts the
AVA obtained updated valuations of each of these 5 sites. The value of the
Sydney site fell but this movement was largely offset by rises in the values of
the Melbourne and Brisbane sites. The values of Adelaide and Perth properties remained
unchanged since last valuations in 2012. In
total, the movements in these property
values required a $20,000 reduction in
revaluation reserves attributable to these
properties. There are no current Board
resolutions committing to any new property
acquisitions. Similarly, there have also been
no other capital investments or expenses
of any material amount in 2014. The AVA
does however intend to commit in 2015 to
the acquisition of a new financial
accounting software package which is due
to be completed in 2015.

Funds and Trusts
The AVA had seven trusts at the
conclusion of the 2014 year: being the
Australian Companion Animal Health
Foundation (ACAHF), Australian Veterinary
Association Benevolent Fund (AVABF),
Australian Veterinary Association Animal
Welfare Trust (AVAAWT), Veterinary
Emergency Support Trust (VEST), AVA
Animal Welfare Institute Trust (AVAAWIT),
Stephen Rose Foundation and the AVA
Fighting Fund which have a total equity of
$1.842m. This equity rose significantly in
2014 with the receipt of the ACAHF
donation noted above.

The Board Finance Committee
Finance is a subcommittee of the Board and
meets face to face over the two days of
the seven Board meetings each year.
The Finance Committee also holds a
number of teleconferences for out of
session work. In total the Committee met
on 12 occasions during 2014. Members
this year were Julia Nicholls, James
Gilkerson, Rob Bonanno and Ben Gardiner.
Alastair Henderson was a valued member of
this Committee for some years until his
untimely passing in May 2014. Alastair
brought to the Committee (and to the
Board) many years of senior veterinary,
management and financial experience. His
insight and presentation of balanced views
will be missed. His contribution is
recognised with the formation of the
Alastair Henderson Memorial Fund to
provide support for nominated AVA
members to represent members’ interests
to production animal industry bodies at
strategic meetings or events. This Fund
was established by the Board in response
to a business case submitted by the
Australian Cattle Veterinarians SIG.

In the operations of the Committee the
President is ex officio in fulfilling their
individual role on the Committee and the
CEO Graham Catt and Sue McGrath
attend most meetings. The National
Corporate Services Manager (John Robb)
and Finance Officer (Anna Gregori)
support the subcommittee providing timely,
relevant, accurate and invaluable reports
and advice. Thanks to all for your
commitment and hard work.

The approved 2015 budget provides for
a break-even budget. Within this budget
provision has been made for a series of
additional important projects. Your Board
believes that this budget target result is
appropriate and achievable and provides
further focus on new projects to serve the
Strategic Plan of the AVA.

The 2014 result is quite a strong outcome.
Equally, the financial position of the AVA at
the end of the 2014 year remains solid
(and has remained that way for some years
despite the presence of some economic
uncertainty). The sound financial result and
underlying financial strength could not have
been achieved without the contributions
from the executive officers, other staff and
the many members who volunteer their time
as Honorary Treasurers, conference and
meeting organisers.

Susan Beetsop
Treasurer
Organisational Chart

AUSTRALIAN VETERINARY ASSOCIATION

Members

Board

Policy Advisory Council

Australian Veterinary Journal

Chief Executive Officer

Other Advisory Committees

Special Interest Groups

Staff

Divisions

Branches
The Directors of The Australian Veterinary Association Limited ("the Company") present their report together with the financial statements of The Australian Veterinary Association Limited and Controlled Entities ("Economic Entity") for the financial year ended 31 December 2014.

DIRECTORS

The names of each person who has been a Director during the year and to the date of this report are:

• Julia Nicholls

• David Neck
• Sue Beetson
• Malcolm McLennan
• Christopher Reardon
• Ben Gardiner - Terminated May 2014 - Appointed July 2014
• Robert Bonanno - Appointed May 2014
• James Gilkerson - Appointed May 2014
• Robert Johnson - Appointed May 2014

• Alastair Henderson - Passed Away May 2014
• Peter Gibbs - Terminated May 2014
• Peter Chenoweth - Terminated May 2014

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

INFORMATION ON COMPANY SECRETARY

• G Catt, MA, MBA, Grad Dip Business - Company Secretary since 16 April 2008
• J Robb, BEc(Hons), LLB,
  - Company Secretary since 10 March 2009

**PRINCIPAL ACTIVITIES**

The principal activities of the Economic Entity during the financial year focused on the advancement of veterinary and allied sciences and included:

- operation as an association representing veterinary professionals in Australia
- conduct of the 2014 AVA National Conference “What’s Best Practice” in Perth
- conduct of the 41st Annual ASAVA Conference “Endocrinology, Ophthalmology and Clinical Pathology” on the Gold Coast
- conduct of the 36th Bain Fallon Memorial Lectures for EVA “The Year of the Horse” on the Gold Coast, the ACV World Buiatrics Conference in Cairns and the AVAPM conference “Maintaining the Lead” in Sydney
- the presentation of numerous other conferences, seminars, workshops and meetings throughout Special Interest Groups, Divisions and Branches
- publication of the Australian Veterinary Journal
- publication of the Australian Veterinary Practitioner, the Companion, the Australian Equine Veterinarian and The Australian Cattle Veterinarian
- publication of other scientific newsletters, journals, communications and materials
- maintenance of the Vet Ed library
- promotion of the value of the profession to the community, industry and government
- providing a forum for veterinarians to exchange ideas and access member services
- assisting members to strive for professional excellence
- providing high standards of continuing education and professional development
- providing leadership and expert advice in animal science, health, welfare and production
- stimulating informed debate on issues within the areas of scientific and professional importance
- developing technical policy on animal health and welfare issues.

There were no significant changes in the nature of the Economic Entity’s principal activities during the financial year.

**OPERATING RESULTS**

The consolidated surplus from operations for the year was $768,827 (2013: consolidated deficit ($369,122)).

**REVIEW OF OPERATIONS**

A review of the operations of the Economic Entity during the financial year is contained in the Report of the National President.

The Economic Entity comprises The Australian Veterinary Association Limited, including 8 Divisions, 21 SIGs and 40 Branches in addition to the AVA National Group and 7 Trusts. All groups operate within their own budgetary control but within financial operating guidelines promulgated by the Board of Directors. Being a not-for-profit entity, the Company does not seek to maximise profits but to provide member services compatible with possible income. On the foregoing basis, it is expected that the Economic Entity will generate surpluses in some years (to be carried forward for future use) and deficits in some years (representing the expenditure of past or future surpluses).

**MISSION AND PURPOSE OF THE AVA, SHORT TERM AND LONG TERM OBJECTIVES**

The objects of the Company are set out in its Constitution.

The Mission of the company is to drive the success of the veterinary profession and promote veterinary science to benefit animals, the environment, the community and our members.

In service of the objects and Mission the Company’s current objectives are set out in the Strategic Plan. These exist in addition to the conduct of the Company's continuing core activities as summarised below:

1. Effective advocacy
2. Community awareness of the Profession
3. Knowledge and continuing professional development
4. Building a membership culture
5. Engaged members
6. Effective organisational structure
7. Right people, roles and resources
8. Good governance

**STRATEGIES**

To achieve these objectives the Company has adopted a range of strategies as set out in the Strategic Plan. These strategies include:

1. Effective advocacy – Develop a veterinary workforce stock and flow model, represent members in the scheduled veterinary industry award review, develop new pet insurance policy and oppose government higher education reforms.
2. Community awareness of the profession – Promote production animal veterinary services and improve the effectiveness of communications supporting veterinary fees.
3. Knowledge and continuing professional development – Increase engagement with journal authors and reviewers, develop policy for consistent event income pricing and revise competing products and services policy.
4. Building a membership culture – Develop national graduate support scheme, increase e-Line distribution, advance student support scheme and undertake marketing campaign for recent graduates.
5. Engaged members – Implement program of practice visits and relationship development, and develop AVA customer service team.
6. Effective organisational structure – Implement new induction process for committee members, upgrade AVA accounting software and review processes of support offered to groups.
7. Right people, roles and resources – Develop induction process for staff, outsource payroll and expand use of profiling and other tools to ensure greater organisational fit for staff.

8. Good governance – Revision of risk management framework and processes, and review group governance policies and procedures.

KEY PERFORMANCE MEASURES

The Company measures its own performance in achieving the objectives through the use of both quantitative and qualitative benchmarks set out in the 2014 Strategic Plan. The benchmarks are used by the Director to assess the financial sustainability of the company and whether the company’s short term and long term objectives are being achieved.

A key benchmark in assessing the financial stability of the parent company has been attainment of the Company’s approved annual budget in the following manner. The Board has approved a break-even budget for the year ended 31 December 2015 and a ($250,000) deficit for 2014 (refer also to Treasurer’s report).

Financial Surplus/(Deficit) of Parent Company

2014
Actual: $52,295
Benchmark: ($250,000)

2013
Actual: ($423,142)
Benchmark: $0

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

No significant changes in the Economic Entity’s state of affairs occurred during the financial year.

EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since 31 December 2014 that significantly affected or may significantly affect:

(a) the operations of the Economic Entity;
(b) the results of those operations; or
(c) the state of affairs of the Economic Entity in the financial years subsequent to 31 December 2014.

LIKELY DEVELOPMENTS

No information is included in this report as it is the opinion of the Directors that the disclosure of this information would prejudice the interests of the Economic Entity.

Likely developments in the activities of the Economic Entity are noted elsewhere in the Annual Report, with the Company continuing to work towards the achievement of its objectives.

DIVIDENDS

The Company’s constitution precludes the payment of dividends. Accordingly, the Directors do not recommend the payment of a dividend. No dividend has been paid or declared since the commencement of the financial year.

DIRECTORS’ BENEFITS

Since 31 December 2014 no Director has received or become entitled to receive any benefit by reason of a contract made by the Economic Entity or a related corporation with the Director or with a firm of which he/she is a member, or with a Company in which he/she has a substantial financial interest. However, the President and Directors who serve in an honorary capacity are entitled to receive a reimbursement for actual expenses incurred as well as an honorarium for their services as Directors of the Company.

INFORMATION ON DIRECTORS

JULIA NICHOLLS
OAM, BVMS, PhD, MANZCVS (Feline Medicine), GAICD

DAVID NECK
BSc, BVMS, MANZCVSc (Small Animal Surgery, Veterinary Radiology, Anaesthesia and Intensive Care)

SUE BEETSON
BSc (Hons), PhD BVMS

MÅLcolm McLennan
BVSc, MSc, MVSc, MANZCVSc, GCed, FAVA
Clinical Examiner, National Veterinary Exam (NVE) for overseas veterinarians from 2010 present, NVE Board member, 2008-2015.
Honorary Historian, Queensland Division, AVA, 2006-2015.

CHRISTOPHER REARDON
BVSc(Hons), BSc(Hons), MANZCVS(Equine Medicine), MAICD


Ben Gardiner
BVSc

ROBERT A BONANNO
BVSc (Hons)

AVA Member since 2001. AVA Director since 2014. ACV Committee member (2007 -2010), ACV President 2010-2011, 2011-2012, ACV state representative (Vic) 2005-2006. ACV nominee to EU-FMD (Nepal 2013). Director Sheppvets P/L since 2001 (Shepparton Veterinary Clinic).

James Gilkerson
BVSc, BSc (Vet) Hons, PhD


Robert Johnson
BVSc MANZCVS (Feline) CertZooMed BA


MEETINGS OF DIRECTORS

During the financial year, 10 meetings of Directors were held. Attendances were:

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<thead>
<tr>
<th>Name</th>
<th>No. eligible to attend</th>
<th>No. attended</th>
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<tbody>
<tr>
<td>Dr Julia Nicholls</td>
<td>10</td>
<td>10</td>
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<td>Dr David Neck</td>
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<td>Dr Sue Beetsen</td>
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<td>Dr Malcolm McLennan</td>
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<tr>
<td>Dr Christopher Reardon</td>
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<td>Dr Ben Gardiner</td>
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<tr>
<td>Dr Robert Bonanno</td>
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<td>Dr James Gilkerson</td>
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<tr>
<td>Dr Robert Johnson</td>
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<tr>
<td>Dr Alastair Henderson</td>
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<tr>
<td>Dr Peter Gibbs</td>
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<td>4</td>
</tr>
<tr>
<td>Dr Peter Chenoweth</td>
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The Company is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $50 each towards meeting any outstanding obligations of the Company. At 31 December 2014, the total amount that members of the Company are liable to contribute if the Company is wound up is $401,000 (2013: $372,450).

INSURANCE FOR COMPANY OFFICERS

During and since the financial year the Company has paid, or agreed to pay, premiums in respect of contracts insuring persons who are or have been a Company Officer, against certain liabilities incurred in that capacity. Company Officer for this purpose means any Director or Secretary of the Company and includes any other
person who is concerned, or takes part, in the management of the Company, including Trustees of the seven (7) trusts: Australian Veterinary Association Benevolent Fund (AVABF), Australian Companion Animal Health Foundation (ACAHF), Australian Veterinary Association Animal Welfare Trust (AVAAWT), Veterinary Emergency Response Trust (VEST), AVA Animal Welfare Institute Trust, The Stephen Rose Foundation and The AVA Fighting Fund.

The insurance contracts prohibit disclosure of the nature of the liabilities insured by the contracts and the amount of the premiums.

INDEMNITY AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has, to the extent permitted by law, entered into agreements to indemnify its Directors and officers for all losses or liabilities incurred as an officer of the Company or a related company. This includes losses or liabilities incurred as an officer of a company where such office is held for the benefit of the Company.

No claim has been made against or by the Company in relation to any such indemnities or insurance policies during the financial year ended 31 December 2014.

ENVIRONMENTAL ISSUES

The Economic Entity’s operations are not subject to significant environmental regulation under the law of the Commonwealth or any State or Territory.

PROCEEDINGS THE BEHALF OF COMPANY

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

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

AUDITORS’ INDEPENDENCE DECLARATION

A copy of the Auditors’ Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out on page 27.

This declaration is made in accordance with a resolution of the Board of Directors.

Susan Beetson
DIRECTOR AND HONORARY TREASURER

Dated at Sydney 10th day of April 2015

Julia Nicholls
DIRECTOR AND PRESIDENT
## Statement of Comprehensive Income

**For the Year Ended 31 December 2014**

<table>
<thead>
<tr>
<th>Description</th>
<th>Notes</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue from ordinary activities</td>
<td>3</td>
<td>12,979,361</td>
<td>10,847,922</td>
</tr>
<tr>
<td>Gain/(Loss) from non-operating activities</td>
<td>3</td>
<td>30,314</td>
<td>(9,514)</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td></td>
<td>13,009,675</td>
<td>10,838,408</td>
</tr>
<tr>
<td>Service expenses</td>
<td></td>
<td>(913,007)</td>
<td>(810,941)</td>
</tr>
<tr>
<td>Sponsorship, marketing and promotions expenses</td>
<td></td>
<td>(175,936)</td>
<td>(202,509)</td>
</tr>
<tr>
<td>Conferences and continuing education expenses</td>
<td></td>
<td>(4,614,177)</td>
<td>(3,657,075)</td>
</tr>
<tr>
<td>Communications and publications expenses</td>
<td></td>
<td>(1,600,307)</td>
<td>(1,344,938)</td>
</tr>
<tr>
<td>Occupancy expenses</td>
<td></td>
<td>(267,367)</td>
<td>(252,111)</td>
</tr>
<tr>
<td>Policy and advocacy expenses</td>
<td></td>
<td>(457,394)</td>
<td>(593,307)</td>
</tr>
<tr>
<td>Administration expenses</td>
<td></td>
<td>(3,568,804)</td>
<td>(3,813,300)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td></td>
<td>(643,856)</td>
<td>(533,349)</td>
</tr>
<tr>
<td><strong>Surplus/(Deficit) from ordinary activities before income tax expense</strong></td>
<td></td>
<td>768,827</td>
<td>(369,122)</td>
</tr>
<tr>
<td>Income tax expense relating to ordinary activities</td>
<td>1(b)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Surplus/ (Deficit) from ordinary activities after income tax expense</strong></td>
<td>12</td>
<td>768,827</td>
<td>(369,122)</td>
</tr>
</tbody>
</table>

**Other Comprehensive Income (Loss)**

- Unrealised gain on available-for-sale financial assets and property          |       | 8,075      | 320,119    |
- Reversal of unrealised gain on available-for-sale financial assets in prior year which were realised this year |       | 9,028      | 8,830      |

**Total Other Comprehensive Income**                                          |       | 17,103     | 328,949    |

**Total Comprehensive Income/(Loss) for the Year**                             |       | 785,930    | (40,173)   |

The accompanying notes form part of these financial statements.
# Statement of Financial Position

**As at 31 December 2014**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

## Assets

### Current Assets
- **Cash and cash equivalents**
  - 2014: $4,299,977
  - 2013: $1,300,253
- **Financial assets**
  - 2014: $2,177,035
  - 2013: $4,281,484
- **Trade and other receivables**
  - 2014: $775,683
  - 2013: $400,206
- **Inventories**
  - 2014: $27,580
  - 2013: $25,826
- **Other current assets**
  - 2014: $472,947
  - 2013: $427,088

**Total current assets**: $7,753,222

## Non-Current Assets
- **Financial assets**
  - 2014: $2,812,467
  - 2013: $2,667,398
- **Property and equipment**
  - 2014: $5,090,470
  - 2013: $5,192,042

**Total non-current assets**: $7,902,937

**Total Assets**: $15,656,159

## Current Liabilities
- **Trade and other payables**
  - 2014: $1,177,828
  - 2013: $660,939
- **Other liabilities**
  - 2014: $2,531,235
  - 2013: $2,189,827
- **Provisions**
  - 2014: $356,924
  - 2013: $725,153

**Total current liabilities**: $4,065,987

## Non-Current Liabilities
- **Provisions**
  - 2014: $235,222
  - 2013: $149,358

**Total non-current liabilities**: $235,222

**Total Liabilities**: $4,301,209

**Net Assets**: $11,354,950

## Equity
- **Retained earnings**
  - 2014: $6,959,940
  - 2013: $6,185,513
- **Reserves**
  - 2014: $4,395,010
  - 2013: $4,383,507

**Total Equity**: $11,354,950

---

The accompanying notes form part of these financial statements.
### STATEMENT OF CHANGES IN EQUITY

**FOR THE YEAR TO 31 DECEMBER 2014**

<table>
<thead>
<tr>
<th></th>
<th>Retained earnings</th>
<th>Asset revaluation reserve</th>
<th>Capital profits reserve</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Balance at 1 January 2013</td>
<td>6,542,318</td>
<td>438,320</td>
<td>3,628,555</td>
<td>10,609,193</td>
</tr>
<tr>
<td><strong>TOTAL COMPREHENSIVE INCOME:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deficit from operating activities</td>
<td>(369,122)</td>
<td>-</td>
<td>-</td>
<td>(369,122)</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in fair value of available-for-sale financial assets</td>
<td>-</td>
<td>328,949</td>
<td>-</td>
<td>328,949</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td>(369,122)</td>
<td>328,949</td>
<td>-</td>
<td>(40,173)</td>
</tr>
<tr>
<td>Transfer of depreciation on appraisal of property from retained earnings to asset revaluation reserve</td>
<td>12,317</td>
<td>(12,317)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance at 31 December 2013</strong></td>
<td>6,185,513</td>
<td>754,952</td>
<td>3,628,555</td>
<td>10,569,020</td>
</tr>
<tr>
<td><strong>TOTAL COMPREHENSIVE INCOME:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus from operating activities</td>
<td>768,827</td>
<td>-</td>
<td>-</td>
<td>768,827</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in fair value of available-for-sale financial assets and property</td>
<td>-</td>
<td>17,103</td>
<td>-</td>
<td>17,103</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td>768,827</td>
<td>17,103</td>
<td>-</td>
<td>785,930</td>
</tr>
<tr>
<td>Transfer of depreciation on appraisal of property from retained earnings to asset revaluation reserve</td>
<td>5,600</td>
<td>(5,600)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance at 31 December 2014</strong></td>
<td>6,959,940</td>
<td>766,455</td>
<td>3,628,555</td>
<td>11,354,950</td>
</tr>
</tbody>
</table>

The accompanying notes form part of these financial statements.
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2014

<table>
<thead>
<tr>
<th>NOTE</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

CASH FLOW FROM OPERATING ACTIVITIES

Receipts from members’ subscriptions 3,982,351 3,671,829
Receipts from other ordinary activities 9,817,626 8,365,393
Payments to suppliers and employees (12,542,808) (11,291,146)
Net payments to Australian Taxation Office for GST (455,324) (567,085)
Investment income received 158,254 123,797
Interest received 192,560 211,178

Net cash provided by operating activities 1,152,659 513,966

CASH FLOW FROM INVESTING ACTIVITIES

Proceeds from sale of available-for-sale financial assets 203,226 322,624
Payments for purchases of available-for-sale financial assets (274,107) (319,404)
Net investments of short-term placements 2,104,449 (973,723)
Payments for purchases of property and equipment (186,503) (86,704)

Net cash used in investing activities 1,847,065 (1,057,207)

Net increase (decrease) in cash held 2,999,724 (543,251)
Cash and cash equivalents at the beginning of the financial year 1,300,253 1,843,494

Cash and cash equivalents at end of the financial year 15 4,299,977 1,300,253

The accompanying notes form part of these financial statements.
Notes to the Financial Statements

For the Year Ended 31 December 2014

Note 1. Statement of Significant Accounting Policies

The general purpose financial statements cover the consolidated group of The Australian Veterinary Association Limited as an individual parent entity (“the Company”) and The Australian Veterinary Association Limited and the controlled entities as a consolidated group (“Economic Entity”). The Australian Veterinary Association Limited is an unlisted public company limited by guarantee, incorporated and domiciled in Australia.

The Australian Veterinary Association Limited has adopted AASB 1053 - Application of Tiers of Australian Accounting Standards and AASB 2010-2 - Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

In accordance with the Corporations Amendment (Corporate Reporting Reform) Act 2010, parent entity columns are no longer required to be presented in the consolidated financial statements with summarised parent entity financial information to be provided in a note as disclosed in Note 2.

Basis of Preparation

The financial statements have been prepared in accordance with Australian Accounting Standards, Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements except for the cash flow information, have been prepared on an accrual basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The financial statements were authorised for issue on 10 April 2015.

Accounting Policies

(A) Principles of Consolidation

An entity is consolidated when the substance of the relationship between an entity and the Company indicates that the entity is “controlled” by the Company. The power to appoint or force resignation of trustees in accordance with the Trust Deed is an indication of this control.

The controlled entities are:
- Australian Companion Animal Health Foundation (ACAHF);
- Australian Veterinary Association Benevolent Fund (AVABF);
- Australian Veterinary Association Animal Welfare Trust (AVAAWT);
- Veterinary Emergency Support Trust (VEST);
- AVA Animal Welfare Institute Trust;
- The Stephen Rose Foundation; and
- The AVA Fighting Fund

All controlled entities have the same financial year-end as that of the Company.

All inter-company (Company-Trust) balances and transactions between entities in the Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of the controlled entities have been changed where necessary to ensure consistency with those policies applied by the Company.

Where controlled entities have entered or left the economic entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

(B) Income Tax

No income tax is payable by the Company as it has been advised on 30 October 1981 by the Deputy Commissioner of Taxation that it is exempt from income tax under the terms of section 50(5) of the Income Tax Assessment Act. As part of the self assessment regime the Company sought professional advice during 2013 which affirmed that there had been no substantial change in purpose of the Company since October 1981 and that the Company could continue as a tax exempt entity.

(C) Inventories

Inventories comprise primarily of forms, publications, clothing and membership insignia which have been included in the
accounts at cost on a first in first out basis. All inventories are stated at the lower of cost and net realisable value.

(D) PROPERTY AND EQUIPMENT

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

Property

Freehold land and buildings are measured on the fair value basis, being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. It is the policy of the Company to have an independent valuation every three years, with annual appraisals being made by the Directors. In this year however new independent valuations of all properties as at 31 December 2014 have been obtained and provide the basis of property valuations in the financial statements. Newly acquired properties are valued at cost, in the period preceding the next round of external valuations.

Increases in carrying amount arising on revaluation of buildings are credited to asset revaluation reserve in the statement of changes in equity. Decreases that offset previous increases of the same asset are charged against the asset revaluation reserves directly in the statement of changes in equity. All other decreases are charged to comprehensive income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the comprehensive income and depreciation based on the asset's original cost is transferred from the retained earnings to asset revaluation reserve.

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 revalued amount of the asset.

The buildings, which are a component of the total valuation of each property, are isolated from the land component and depreciated over expected life of 40 years, consistent with AASB 116 – Property, Plant and Equipment.

Office Furniture, Fittings and Equipment

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

The carrying amounts of office furniture, fittings and equipment are reviewed annually by Directors to ensure they are not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets' employment and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

Depreciation

The depreciable amount of all property and equipment, excluding freehold land, is depreciated on a straight line basis over their estimated useful lives to the Company commencing from the time the asset is held ready 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:

<table>
<thead>
<tr>
<th>Class of Depreciable Asset</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>2.5%</td>
</tr>
<tr>
<td>Office furniture and fittings</td>
<td>5-10%</td>
</tr>
<tr>
<td>Equipment</td>
<td>25-33%</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>10%</td>
</tr>
</tbody>
</table>

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 recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount. These gains and losses are included in the comprehensive income and transferred to capital profits reserve. When revalued assets are sold, amounts included in the asset revaluation reserve relating to the asset sold are transferred to capital profits reserve.

Impairment of Assets

At each reporting date, the Economic Entity reviews the carrying values of its tangible 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 cost 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 expensed to the statement of comprehensive income.

(E) FINANCIAL INSTRUMENTS

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Economic Entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the Economic Entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Available-for-sale financial assets

Available-for-sale financial assets include financial assets not included in the following categories:

- financial assets at fair value through profit and loss
- loans and receivables
- held to maturity investments.

Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to asset revaluation
reserve in equity unless the assets are impaired.

**Loans and Receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

**Fair value**

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

**Impairment**

At each reporting date, the Economic Entity assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

**(F) EMPLOYEE BENEFITS**

**Short-term Employee Benefits**

Provision is made for the Company’s obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company’s obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position.

**Other long-term Employee Benefits**

Provision is made for employees’ long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense.

The Company’s obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

**(G) PROVISIONS**

Provisions are recognised when the Economic Entity has 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.

**(H) CASH AND CASH EQUIVALENTS**

For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than three months and net of bank overdrafts.

**(I) REVENUE**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Economic Entity and the amount of the revenue can be reliably measured. The following specific recognition criteria should also be met before revenue is recognised:

- membership subscriptions are brought to account as income at the time these are received except that where members’ subscriptions are received in respect of a future financial period, the income is deferred and subsequently recognised in that future period
- interest revenue is recognised on a proportional basis using the effective interest method applicable to the financial assets
- affinity commission is recognised when the right to receive the income has been established
- conferences and events revenue which includes sponsorships and delegates fees are recognised upon commencement of the said conferences and events
- advertising revenue for the publishing activity of the Company is recognised when the particular article is due to be published
- dividend and distribution revenue are recognised when the right to receive the income has been established.

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

**(J) LEASES**

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

**(K) TRADE AND OTHER PAYABLES**

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the Economic Entity during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

**(L) 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 Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and
payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis except that the GST component of investing and financing activities, which are disclosed as operating cash flows.

(M) COMPARATIVE FIGURES

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

(N) FAIR VALUE OF ASSETS AND LIABILITIES

The company measures some of its assets at fair value. Fair value is the price the company would receive to sell an asset 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. The fair values of assets 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 (i.e. the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset, 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.

(O) 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 Economic Entity.

The Directors assess impairment at each reporting date by evaluating conditions specific to the Economic Entity that may lead to impairment of assets. Where an impairment trigger exists the recoverable amount of the assets is determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates. At 31 December 2014 there are no impairments.

Note 2. Parent Entity Disclosures

In accordance with the Corporations Amendment (Corporate Reporting Reform) Act 2010 and the Corporations Act 2001 the following summarised parent entity information is set out below. As at, and throughout, the financial year ended 31 December 2014 the parent company was The Australian Veterinary Association Limited.

Note 1(a) provides details as to the identity of the controlled entities (being AVA Trusts) which are consolidated with those of The Australian Veterinary Association Limited itself to create these consolidated financial statements.

Note 1(a) also provides further details as to the principles of consolidation used in the preparation of these consolidated financial statements.
NOTE 2. Parent Entity Disclosures
Profit and loss and other comprehensive income of the parent entity:

### REVENUE

#### Operating activities

<table>
<thead>
<tr>
<th>Source</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscriptions</td>
<td>3,620,319</td>
<td>3,142,787</td>
</tr>
<tr>
<td>Affinity commissions</td>
<td>1,073,611</td>
<td>1,121,069</td>
</tr>
<tr>
<td>Interest</td>
<td>184,566</td>
<td>191,134</td>
</tr>
<tr>
<td>Investment income</td>
<td>157,255</td>
<td>125,994</td>
</tr>
<tr>
<td>Rental income</td>
<td>25,305</td>
<td>21,754</td>
</tr>
<tr>
<td>Other revenue (incl. conferences and publications)</td>
<td>7,128,566</td>
<td>6,112,733</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>12,189,622</strong></td>
<td><strong>10,715,471</strong></td>
</tr>
</tbody>
</table>

#### Non-operating activities

- Gain/(Loss) on disposal of investments 30,314 (9,514)

**Total Revenue** 12,219,936 10,705,957

### Expenses

<table>
<thead>
<tr>
<th>Source</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service expenses</td>
<td>923,007</td>
<td>810,941</td>
</tr>
<tr>
<td>Sponsorship, marketing and promotions expenses</td>
<td>175,936</td>
<td>202,509</td>
</tr>
<tr>
<td>Conferences and continuing education expenses</td>
<td>4,614,177</td>
<td>3,657,075</td>
</tr>
<tr>
<td>Communications and publications expenses</td>
<td>1,600,307</td>
<td>1,344,938</td>
</tr>
<tr>
<td>Occupancy expenses</td>
<td>267,367</td>
<td>252,111</td>
</tr>
<tr>
<td>Policy and advocacy expenses</td>
<td>457,394</td>
<td>593,307</td>
</tr>
<tr>
<td>Administration expenses</td>
<td>3,485,598</td>
<td>3,734,864</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>643,855</td>
<td>533,354</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>12,167,641</strong></td>
<td><strong>11,129,099</strong></td>
</tr>
</tbody>
</table>

### Surplus/(Deficit) for the year

<table>
<thead>
<tr>
<th>Source</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Surplus/(Deficit) for the year</strong></td>
<td><strong>52,295</strong></td>
</tr>
</tbody>
</table>

### Other comprehensive income

<table>
<thead>
<tr>
<th>Source</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrealised gain on available-for-sale financial assets and property</td>
<td>8,075</td>
<td>320,119</td>
</tr>
<tr>
<td>Reversal of unrealised gain on available-for-sale financial assets in prior year which were realised this year</td>
<td>9,028</td>
<td>8,830</td>
</tr>
<tr>
<td><strong>Total Other comprehensive income</strong></td>
<td><strong>17,103</strong></td>
<td><strong>328,949</strong></td>
</tr>
</tbody>
</table>

### Total comprehensive income/(loss) for the year

<table>
<thead>
<tr>
<th>Source</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total comprehensive income/(loss) for the year</strong></td>
<td><strong>69,398</strong></td>
<td><strong>(94,193)</strong></td>
</tr>
</tbody>
</table>
## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2014

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>NOTE 2. Parent Entity Disclosures (continued)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Financial Position Of The Parent Entity:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>6,298,846</td>
<td>5,889,685</td>
</tr>
<tr>
<td>Total assets</td>
<td>14,201,783</td>
<td>13,749,124</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>4,454,299</td>
<td>4,156,505</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>4,689,125</td>
<td>4,305,862</td>
</tr>
<tr>
<td>Net assets</td>
<td>9,512,658</td>
<td>9,443,262</td>
</tr>
<tr>
<td><strong>Total equity of the parent entity comprising of:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued Capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital profits reserves</td>
<td>3,628,555</td>
<td>3,628,555</td>
</tr>
<tr>
<td>Asset revaluation reserve</td>
<td>766,455</td>
<td>754,952</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>5,117,648</td>
<td>5,059,755</td>
</tr>
<tr>
<td>Total equity</td>
<td>9,512,658</td>
<td>9,443,262</td>
</tr>
</tbody>
</table>

### NOTE 3. Revenue from Ordinary Activities

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Subscriptions</td>
<td>3,620,319</td>
<td>3,142,787</td>
</tr>
<tr>
<td>- Affinity commissions</td>
<td>1,073,611</td>
<td>1,121,069</td>
</tr>
<tr>
<td>- Interest</td>
<td>184,566</td>
<td>191,134</td>
</tr>
<tr>
<td>- Investment income</td>
<td>157,255</td>
<td>125,994</td>
</tr>
<tr>
<td>- Rental income</td>
<td>25,305</td>
<td>21,754</td>
</tr>
<tr>
<td>- Other revenue (incl. conferences and Publications)</td>
<td>7,918,305</td>
<td>6,245,184</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>12,979,361</td>
<td>10,847,922</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Non-operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Gain/(Loss) on disposal of investments</td>
<td>30,314</td>
<td>(9,514)</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>13,009,675</td>
<td>10,838,408</td>
</tr>
</tbody>
</table>
### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2014

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

#### NOTE 4. Profit from Ordinary Activities

Profit from ordinary activities has been determined after:

**Expenses**
- Depreciation and amortisation: 251,134
- Provision for employee entitlements: 42,476

#### NOTE 5. Trade and Other Receivables

**Current**
- Trade receivables: 570,966
- Other receivables: 204,717

**Total Current Receivables:** 775,683

**Trade Receivables:** 570,966
**Other Receivables:** 204,717

#### NOTE 6. Other Assets

**Current**
- Prepayments: 472,947

#### NOTE 7. Financial Assets

**Current**
- Short-term placements: 2,177,035

**Non-Current**
- Available-for-sale
  - Managed funds: 1,041,956
  - Listed shares: 1,770,511

**Total Financial Assets:** 4,989,502

**Short-term placements:** 2,177,035
**Managed funds:** 1,041,956
**Listed shares:** 1,770,511

#### NOTE 8. Property and Equipment

**Land and buildings**
- Freehold land at:
  - Independent valuation (2014): 751,189
- Buildings at:
  - Independent valuation (2014): 4,038,811

**Less accumulated depreciation**
- (100,956)

**Total Property and Equipment:** 4,790,000

**Freehold land:**
**Buildings:**
- Independent valuation:
  - (2014): 751,189
- (2014): 4,038,811

- Accumulated depreciation:
  - (100,956)

**Total:** 4,790,000

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Annual Report 2014 | Australian Veterinary Association
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

2014  2013

NOTE 8. Property and Equipment (continued)

Office furniture and equipment at cost  1,685,617  1,610,060
Less accumulated depreciation      (1,385,147)  (1,237,062)

Total property and equipment  5,090,470  5,192,042

a) Movements in Carrying Amounts

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

<table>
<thead>
<tr>
<th></th>
<th>Freehold Land</th>
<th>Buildings</th>
<th>Office furniture and equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January 2013</td>
<td>751,189</td>
<td>4,168,811</td>
<td>432,094</td>
<td>5,352,094</td>
</tr>
<tr>
<td>Additions</td>
<td>–</td>
<td>–</td>
<td>78,822</td>
<td>78,822</td>
</tr>
<tr>
<td>Depreciation</td>
<td>–</td>
<td>(100,956)</td>
<td>(137,918)</td>
<td>(238,874)</td>
</tr>
<tr>
<td>Carrying amount at 31 December 2013</td>
<td>751,189</td>
<td>4,067,855</td>
<td>372,998</td>
<td>5,192,042</td>
</tr>
</tbody>
</table>

Balance at 1 January 2014  751,189  4,067,855  372,998  5,192,042
Additions  –  93,991  75,743  169,734
Revaluation decrements – (20,172) – (20,172)
Depreciation – (102,863) (148,271) (251,134)

Carrying amount at 31 December 2014  751,189  4,038,811  300,470  5,090,470

Independent valuations of all land and buildings were carried out in December 2014 by registered valuers in each State or Territory of the fair market value of land and buildings based on existing use and the values advised have been included in these financial statements.

The Directors have reviewed the key assumptions adopted by the valuers in 2014 and do not believe there has been a significant change in the assumptions at 31 December 2014. The Directors therefore believe the carrying amount of the land and buildings correctly reflects the fair value less costs to sell at 31 December 2014.

NOTE 9. Trade and Other Payables

Current

Sundry creditors  1,177,828  660,939
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

NOTE 10. Other Liabilities

Current

Income received in advance
Membership subscriptions 1,580,112 1,600,484
Annual conference income 767,861 367,787
Other income in advance 183,262 221,556

Total 2,531,235 2,189,827


Current

Employee benefits 356,924 400,312
Legal Costs – 324,841

Total 356,924 725,153

Non Current

Employee benefits 235,222 149,358

Total 592,146 874,511

Number of employees at year end 57

Movements of Provisions:

<table>
<thead>
<tr>
<th></th>
<th>Annual Leave</th>
<th>Long Service Leave</th>
<th>Legal Costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Opening Balance at 1 January 2014 322,278 227,392 324,841 874,511
Additional provision raised during the year 232,824 53,866 – 286,690
Amounts used (244,214) – (126,521) (569,055)
Reversal of provision – – (198,320) (198,320)

Balance at 31 December 2014 310,888 281,258 – 592,146

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of the 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.
# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2014

### NOTE 12. Retained Earnings

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January</td>
<td>6,185,513</td>
<td>6,542,318</td>
</tr>
<tr>
<td>Transfer of depreciation on appraisal of property to asset revaluation reserve</td>
<td>5,600</td>
<td>12,317</td>
</tr>
<tr>
<td>Surplus/(Deficit) from operating activities</td>
<td>768,827</td>
<td>(369,122)</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td><strong>6,959,940</strong></td>
<td><strong>6,185,513</strong></td>
</tr>
</tbody>
</table>

### NOTE 13. Reserves

#### Asset Revaluation Reserve

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January</td>
<td>754,952</td>
<td>438,320</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in fair value of available-for-sale financial assets and property:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealised gain</td>
<td>8,075</td>
<td>320,119</td>
</tr>
<tr>
<td>Reversal of unrealised loss in prior year which were realised this year</td>
<td>9,028</td>
<td>8,830</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>17,103</td>
<td>328,949</td>
</tr>
<tr>
<td><strong>Other comprehensive income</strong></td>
<td><strong>772,055</strong></td>
<td><strong>767,269</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer of depreciation on appraisal of property from retained earnings</td>
<td>(5,600)</td>
<td>(12,317)</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td><strong>766,455</strong></td>
<td><strong>754,952</strong></td>
</tr>
</tbody>
</table>

#### Capital Profits Reserve

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January</td>
<td>3,628,555</td>
<td>3,628,555</td>
</tr>
<tr>
<td>Transfer from retained earnings</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Transfer from asset revaluation reserve</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td><strong>3,628,555</strong></td>
<td><strong>3,628,555</strong></td>
</tr>
<tr>
<td><strong>Total Reserves Balance at 31 December</strong></td>
<td><strong>4,395,010</strong></td>
<td><strong>4,383,507</strong></td>
</tr>
</tbody>
</table>
NOTE 14. Capital and Leasing Commitments

Capital Commitments:
As at 31 December 2014 the Group did not have any capital commitments.

Payable – minimum lease payments:

- not later than 1 year 101,721 97,248
- later than 1 year but not later than 5 years 53,275 143,221

154,996 240,469

NOTE 15. Cash Flow Information for Cash and Cash Equivalents

Cash on hand and cash in bank 886,668 772,521
Short term placements 3,413,309 527,732

4,299,977 1,300,253

NOTE 16: Members’ Guarantee

The Company is limited by guarantee. If the Company is wound up, the Constitution states that each member is required to contribute a maximum of $50 each towards meeting any outstanding obligations of the Company. At 31 December 2014 the number of members was 8,020 (2013: 7,449).

NOTE 17. Remuneration of the Auditor

Amounts received or due and receivable by the auditor of the Company:
Audit of the financial statements 32,850 31,000
Other services 2,400 –

35,250 31,000

NOTE 18. Key Management Personnel Compensation

Total compensation 1,923,180 1,892,680
NOTES TO THE FINANCIAL STATEMENTS

NOTE 19: Related Parties

Directors: The names of persons who were Directors at any time during the year are set out in the “Directors’ Report” on page 1.

Information relating to the remuneration of Directors is included in Note 17 as part of remuneration provided to key management personnel. There were no other transactions between Directors and the Company during the year.

During the year, interest paid to controlled entities amounted to $31,515 (2013: $39,707) and loans between controlled entities amounted to $385,851 (2013: $578,521).

There were no other transactions with related parties and Directors.

NOTE 20: Financial Instruments

The Economic Entity’s financial instruments consist mainly of deposits with banks, short term investments, accounts receivable and payable, and available-for-sale financial assets.

Listed investments have been valued at the last sale prices at the reporting date. Other assets and other liabilities approximate their carrying values.

NOTE 21: Company details

The registered office of the Company is:

Unit 40, 6 Herbert Street St Leonards NSW 2065

NOTE 22: Events Subsequent to Reporting Date

No matters or circumstances have arisen since 31 December 2014 that significantly affected or may significantly affect:

(a) The operations of the Economic Entity;
(b) The results of those operation; or
(c) The state of affairs of the Economic Entity in the financial years subsequent to 31 December 2014.

NOTE 23: Fair Value Measurements

The Company has the following assets, as set out in the table below, that are measured at fair value on a recurring basis after their initial recognition. The Company does not subsequently measure any liabilities at fair value on a recurring basis and has no assets or liabilities that are measured at fair value on a non-recurring basis.

<table>
<thead>
<tr>
<th>FOR THE YEAR ENDED 31 DECEMBER 2014</th>
<th>NOTES</th>
<th>2014 $</th>
<th>2013 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recurring fair value measurements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Available-for-sale financial assets</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managed funds</td>
<td>7</td>
<td>1,041,956</td>
<td>1,014,637</td>
</tr>
<tr>
<td>Listed shares</td>
<td>7</td>
<td>1,770,511</td>
<td>1,652,761</td>
</tr>
<tr>
<td>Property and equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freehold land</td>
<td>8</td>
<td>751,189</td>
<td>751,189</td>
</tr>
<tr>
<td>Buildings</td>
<td>8</td>
<td>4,038,811</td>
<td>4,168,811</td>
</tr>
</tbody>
</table>

For investments in listed shares, the fair values have been determined based on closing quoted bid prices at the end of the reporting period. For freehold land and buildings, the fair values are based on a directors’ valuation taking into account an external independent valuation performed in the previous year, which had used comparable market data for similar properties.
THE DIRECTORS OF THE COMPANY DECLARE THAT:

1. the financial statements and notes as set out on pages 8 - 25, are in accordance with the Corporations Act 2001:
   (a) comply with Accounting Standards and the Corporations Regulations 2001; and
   (b) give a true and fair view of the financial position as at 31 December 2014 and of the performance for the year ended on that date of the Economic Entity; and
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.

This declaration is made in accordance with a resolution of the Board of Directors.

S Beetson
DIRECTOR AND HONORARY TREASURER

J Nicholls
DIRECTOR AND PRESIDENT

Dated at Sydney this 10th day of April 2015
AUDITOR’S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF THE AUSTRALIAN VETERINARY ASSOCIATION LIMITED

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of The Australian Veterinary Association Limited and its controlled Entities for the year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

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

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

This declaration is in respect of The Australian Veterinary Association Limited and its Consolidated Entities during the financial year.

Moore Stephens Sydney
Chartered Accountants

Scott Whiddett
Partner

Dated in Sydney this 10th day of April 2015.
Independent Auditor’s Report
To the members of Australian Veterinary Association Limited


We have audited the accompanying financial report of Australian Veterinary Association Limited ("the Company") and its Controlled Entities ("the Consolidated Entity"), which comprises the statements of financial position as at 31 December 2014, the statements of comprehensive income, the statements of changes in equity and the statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Company and the Consolidated Entity comprising The Australian Veterinary Association Limited and its Controlled Entities at the year's end or from time to time during the financial year.

Directors’ Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Act 2001 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.

Auditor’s Responsibility

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

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

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

MOORE STEPHENS

Independence
In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Opinion
In our opinion the financial report of Australian Veterinary Association Limited is and its Controlled Entities is in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the Consolidated Entity’s financial position as at 31 December 2014 and of their performance for the year ended on that date; and

(b) complying with Australian Accounting Standards - Reduced Disclosure Requirements and the Corporations Regulations 2001.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor’s report relates to the financial report of The Australian Veterinary Association Limited and its Controlled Entities for the year ended 31 December 2014 included on The Australian Veterinary Association Limited’s website. The Company’s directors are responsible for the integrity of The Australian Veterinary Association Limited’s website. We have not been engaged to report on the integrity of The Australian Veterinary Association Limited’s website. The auditor’s report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

Moore Stephens Sydney
Chartered Accountants

Scott Whiddett
Partner

Dated in Sydney, the 10th day of April 2015.