

**PERSONAL INJURY EDUCATION FOUNDATION LIMITED**  
**ACN 118 018 992**

**ANNUAL FINANCIAL REPORT**

**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

**PERSONAL INJURY EDUCATION FOUNDATION LIMITED**  
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**FOR THE YEAR ENDED 30 JUNE 2015**  
ACN 118 018 992

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**PERSONAL INJURY EDUCATION FOUNDATION LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2015**  
**ACN 118 018 992**

The directors present their report on the consolidated entity consisting of the Personal Injury Education Foundation Limited (the Foundation) and the entity that it controlled at the end of, or during, the financial year ended 30 June 2015. Throughout the report, the consolidated entity is referred to as the Group.

**1. Directors**

The directors of the Foundation at any time during or since the end of the financial year are:

<b>Name</b>	<b>Appointment Date</b>	<b>Resignation Date</b>
Chris Latham (Chair)	2 May 2011	
Jason Hammond	12 July 2007	
Denise Cosgrove	28 August 2008	10 June 2015
Andrew Fronsco	25 June 2009	5 June 2015
Michelle Reynolds	19 October 2010	
Andrew Nicholls	18 January 2011	
Grant Speight	10 June 2011	
Diego Ascani	10 June 2011	
Geniere Aplin	8 June 2012	29 January 2015
Paul Smeaton	8 June 2012	
Bruce Crossett	8 August 2012	
Bradley Parker	30 November 2012	
Irene Violet	6 March 2013	
Jennifer Mitchell	6 March 2013	
Jason Lardelli	7 June 2013	25 November 2014
John McNamara	7 June 2013	
Michael Francis	7 June 2013	
Mary Hawkins	18 October 2013	5 June 2015
David Fryar	18 October 2013	
Helen Silver	18 October 2013	
Bruce Watson	25 November 2014	
Caroline Walsh	5 June 2015	
Kim Birch	5 June 2015	
Tony Tenaglia	5 June 2015	

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**2. Company Secretary**

Mr. Nathan Clarke was appointed to the position of company secretary on 24 January 2006. He is also the Executive Director of the Foundation, and a director and the Chief Executive Officer of its wholly-owned subsidiary, PIEF RTO Services Limited.

**3. Objectives and Strategies**

The Foundation was incorporated on 24 January 2006. Its objective is to create leading education programs, initiatives and events focused on the needs of those working in the accident compensation industry.

The PIEF board endorsed a new vision, mission and goals as follows:

*Vision* Globally recognised for fostering, developing and inspiring talent in the personal injury and disability management professions.

*Mission* To promote and enhance the personal injury and disability management professions through:

- providing quality education and training
- facilitating ongoing professional development opportunities
- recognising excellence.

*Goals* The goals of the Foundation are to:

- increase the range of training and educational programs delivered
- broaden participation in PIEF's existing range of programs
- design, develop and deliver educational and personal development programs, initiatives and events:
  - for people working in the personal injury and disability management industry
  - improve the capability and professionalism of the personal injury and disability management industry
  - promote and recognise excellence in the industry
  - ensure that personal injury management is regarded as an attractive, rewarding and respected profession.

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**3. Objectives and Strategies (continued)**

*Strategy 2020* was endorsed by the Board and sets out the following four strategic priorities of focus for the next five years:

- 1 To maintain and improve financial sustainability
- 2 To improve the capability and professionalism of the personal injury and disability management industry
- 3 To enhance and continue to build strong industry partnerships and linkages
- 4 To continue to enhance and build upon the reputation of PIEF as the educational provider of choice for the personal injury and disability management industries.

**4. Principal Activity**

Over the 2014/15 financial year, the Foundation's principal activity was the continual development, implementation and delivery of education programs and events designed for the personal injury management sector.

During the financial year, the Foundation:

- In conjunction with Griffith University delivered two postgraduate programs in personal injury management:
  - Graduate Certificate in Personal Injury Management
  - Master of Personal Injury Management.
- Delivered and awarded the following qualifications through its RTO business:
  - Diploma of Personal Injury Management
  - Certificate IV in Personal Injury Management (Claims Management)
  - Certificate IV in Personal Injury Management (Return to Work)
  - Certificate III in Personal Injury Management (Claims Management).
- Introduced a new learning management system (LMS).
- Implemented the Allied Health Practitioner Training Program on behalf of WorkCover NSW.
- Delivered a series of Motivational Interactions workshops in conjunction with AP Psychology and Consulting across Australia and for our member organisations.
- Hosted the International Forum on Disability Management (IFDM) in Melbourne in November 2014.
- Hosted the 2014 Excellence in Personal Injury Management Awards in Melbourne in November 2014.

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**5. Review of Operations**

Information on the operations and financial position of the Foundation and its business strategies are set out in section 3 "Objectives and Strategies" on pages 4 and 5, and on pages 14 – 30 of the annual financial report.

**6. Significant Changes in the State of Affairs**

There were no other significant changes in the state of affairs of the Group during the financial year.

**7. Events Subsequent to Reporting Date**

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

**8. Likely Developments and Expected Results of Operations**

There are no likely developments or foreshadowed developments that have not otherwise been disclosed in this report.

**9. Environmental Regulation**

The Group's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the directors believe that the Group has adequate systems in place for the management of its environmental requirements and are not aware of any breach of those environmental requirements as they apply to the Group.

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**10. Information on the Foundation's Directors**

The qualifications, experience and special responsibilities of the Foundation's directors at 30 June 2015 are as follows:

<b>Name</b>	<b>Qualification and Experience</b>	<b>Special Responsibilities</b>
Chris Latham (Chair)	Chris is a qualified actuary who specialises in advice to accident compensation schemes and is a member of the board of WorkCover SA and the Asbestos Injury Compensation Fund. He holds a degree in science.	<ul style="list-style-type: none"> <li>• Chairman</li> <li>• Member of Executive Sub-committee</li> <li>• Board member and Chairman of PIEF RTO Services Limited</li> </ul>
Jason Hammond	Jason is the National Manager, Workers Compensation at QBE Australia. He holds a Bachelor of Business (Accounting) degree and is an Australian CPA.	<ul style="list-style-type: none"> <li>• None</li> </ul>
Michelle Reynolds	Michelle is the Chief Executive Officer at WorkCover WA. She holds a Bachelor of Arts and a Master of Business Administration.	<ul style="list-style-type: none"> <li>• None</li> </ul>
Andrew Nicholls	Andrew is the General Manager of the NSW Motor Accidents Authority. He holds an Executive Master of Public Administration program, an Honours degree in political science and a Master's degree in public management.	<ul style="list-style-type: none"> <li>• None</li> </ul>
Grant Speight	Grant is the General Manager, Human Resources at the Insurance Commission of Western Australia. He holds a Masters of Human Resource Management, is a Fellow of the Australian Human Resources Institute and an Associate Fellow of the Australian Institute of Management.	<ul style="list-style-type: none"> <li>• Member of Strategy 2020 Sub-committee</li> </ul>
Diego Ascani	Diego is the Head of Workers Compensation at Xchanging Australia.	<ul style="list-style-type: none"> <li>• None</li> </ul>

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Name	Qualification and Experience	Special Responsibilities
	<p>He holds a Bachelor of Commerce, Bachelor of Law and a Master of Business Administration. He is also an Associate of the Insurance Institute of South Africa.</p>	
Paul Smeaton	<p>Paul is the Executive General Manager, Statutory Claims, Suncorp. He has a Bachelor's Degree majoring in management and a Directors Course Diploma from the Australian Institute of Company Directors.</p>	<ul style="list-style-type: none"> <li>• None</li> </ul>
Bruce Crossett	<p>Bruce is the Head of Claims at the Transport Accident Commission. He holds a Masters of Business Leadership with distinction from RMIT University.</p>	<ul style="list-style-type: none"> <li>• Member of Executive Sub-committee</li> <li>• Board member of PIEF RTO Services Limited</li> <li>• Member of Strategy 2020 Sub-committee</li> </ul>
Bradley Parker	<p>Bradley is the Assistant Director, WorkCover Tasmania. He holds various tertiary qualifications in engineering, health and safety, and public sector management.</p>	<ul style="list-style-type: none"> <li>• Member of Strategy 2020 Sub-committee</li> </ul>
Irene Violet	<p>Irene is the General Manager, Corporate Services, WorkCover Queensland. She holds Bachelor degrees in health science and psychology, and has a Master of Business Administration.</p>	<ul style="list-style-type: none"> <li>• Member of Strategy 2020 Sub-committee</li> </ul>
Jennifer Mitchell	<p>Jen is the Head of Workers Compensation, Fee States, CGU. She has a strong background in workers' compensation and financial services and holds a law degree.</p>	<ul style="list-style-type: none"> <li>• Member of Strategy 2020 Sub-committee</li> </ul>
John McNamara	<p>John is the Executive General Manager - Statutory Workers Compensation,</p>	<ul style="list-style-type: none"> <li>• Board member of PIEF RTO</li> </ul>

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<b>Name</b>	<b>Qualification and Experience</b>	<b>Special Responsibilities</b>
	Gallagher Bassett. He has been employed in the insurance industry for over 24 years holding a range of senior management positions within Victoria and South Australia.	Services Limited <ul style="list-style-type: none"> <li>Member of Executive sub-committee</li> </ul>
Michael Francis	Michael is the General Manager, Scheme Improvement & Regulation, WorkCover Corporation of South Australia. He holds an MBA with a major in finance, a Graduate Certificate of Corporate Management, a Bachelor of Occupational Therapy and a Bachelor of Human Movement Studies.	<ul style="list-style-type: none"> <li>Member of Strategy 2020 Sub-committee</li> </ul>
David Fryar	David is the General Manager, Statutory Business for Employers Mutual Limited. He holds a Bachelor of Economics (Hons) and a Master of Business Administration, and also serves on the boards of non-for-profit organisations within the disability sector in Victoria.	<ul style="list-style-type: none"> <li>None</li> </ul>
Helen Silver	Helen is the Chief General Manager Workers' Compensation, Allianz Australia. She has a Bachelor of Economics and a Master of Economics from Monash University, where she is currently a Vice-Chancellor's Professorial Fellow.	<ul style="list-style-type: none"> <li>None</li> </ul>
Bruce Watson	Bruce is the Executive General Manager of Comcare's Claims and Liability Management Division, is an actuary specialising in the management of long-tail workers compensation schemes and Asbestos-related claims.	<ul style="list-style-type: none"> <li>None</li> </ul>
Caroline Walsh	Caroline is the Executive Director, Workers' Compensation Regulation,	<ul style="list-style-type: none"> <li>None</li> </ul>

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Name	Qualification and Experience	Special Responsibilities
	WorkCover NSW. Caroline has a background in public policy and industrial relations and has qualifications in law and government.	
Kim Birch	Kim is the Branch Manager - Design Authority with the National Disability Insurance Agency. For the past 18 years Kim has been working in personal injury insurance in both private sector insurer roles and also in the role of regulator of the Queensland Compulsory Third Party insurance scheme.	<ul style="list-style-type: none"> <li>• None</li> </ul>
Tony Tenaglia	Tony is the Director, Operations at the Institute of Safety, Compensation and Recovery Research (ISCRR). Prior to this he has held a number of senior management roles within the personal injury sector.	<ul style="list-style-type: none"> <li>• None</li> </ul>

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**11. Meetings of Directors**

The number of meetings of the Foundation's directors held during the financial year, and the numbers of meetings attended by each director are as follows:

<b>Name</b>	<b>Number of Board Meetings Held</b>	<b>Number of Board Meetings Attended</b>
Chris Latham (Chair)	2	2
Jason Hammond	2	2
Denise Cosgrove	2	1
Andrew Fronsco	2	0
Michelle Reynolds	2	0
Andrew Nicholls	2	1
Grant Speight	2	2
Diego Ascani	2	0
Geniere Aplin	1	1
Paul Smeaton	2	1
Bruce Crossett	2	2
Bradley Parker	2	1
Irene Violet	2	1
Jennifer Mitchell	2	2
Jason Lardelli	1	0
John McNamara	2	1
Michael Francis	2	1
Mary Hawkins	2	1
David Fryar	2	1
Helen Silver	2	2
Bruce Watson	2	2
Caroline Walsh	1	1
Kim Birch	1	0
Tony Tenaglia	1	1

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**12. Winding-up of the Foundation**

If the Foundation is wound up each Member undertakes to contribute an amount not exceeding \$25,000 to the Foundation for the:

- payment of debts and liabilities of the Foundation and payment of costs, charges and expenses of winding up; and
- adjustment of the rights of the contributories amongst themselves.

As the Foundation had 24 Members as at 30 June 2015, the total amount that they are liable to contribute if the Foundation is wound up is \$600,000.

**13. Non-audit Services**

The Group's auditor, RSM Bird Cameron, have not performed any non-audit services in addition to their audit duties during the financial year.

**14. Auditor's Independence Declaration**

The auditor's independence declaration is set out on page 13 and forms part of the directors' report for the financial year ended 30 June 2015.

This report is made with a resolution of the directors:

*Chris Latham*

**Chris Latham**

Chair

Dated at Melbourne this 22<sup>nd</sup> day September 2015

**RSM Bird Cameron Partners**  
Level 21, 55 Collins Street Melbourne VIC 3000  
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www.rsmi.com.au

## **AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the audit of the financial report of Personal Injury Education Foundation Limited for the year ended 30 June 2015, 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 BIRD CAMERON PARTNERS**

**Warwick Spargo**  
Partner

Melbourne, Victoria  
Dated: 22 September 2015

**PERSONAL INJURY EDUCATION FOUNDATION LIMITED**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 JUNE 2015**  
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	Notes	Group		Company	
		2015	2014	2015	2014
		\$	\$	\$	\$
<b>Revenue</b>					
Membership revenue		758,400	758,300	758,400	758,300
Conference registrations and sponsorships		852,783	130,570	852,783	130,570
Education and training		714,092	529,965	63,399	279,872
Examination and certification revenue		72,697	92,038	72,697	92,038
Interest income from bank deposits		23,063	16,182	16,900	15,525
		<b>2,421,035</b>	<b>1,527,055</b>	<b>1,764,179</b>	<b>1,276,305</b>
<b>Expenses</b>					
Administrative support services		860,331	984,029	421,562	984,029
Agency staff		178,672	14,807	63,362	14,807
Travel expenses		32,733	17,072	21,875	14,544
Professional services		284,639	282,957	62,229	228,418
Conference expenses		585,220	128,580	583,246	128,580
Other expenses	6	52,771	38,199	45,794	32,106
		<b>1,994,366</b>	<b>1,465,644</b>	<b>1,198,068</b>	<b>1,402,484</b>
<b>Surplus (deficit) for the year before income tax</b>		<b>426,669</b>	<b>61,411</b>	<b>566,111</b>	<b>(126,179)</b>
Income tax expense		-	-	-	-
<b>Surplus (deficit) for the year</b>		<b>426,669</b>	<b>61,411</b>	<b>566,111</b>	<b>(126,179)</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>426,669</b>	<b>61,411</b>	<b>566,111</b>	<b>(126,179)</b>

The consolidated statements of comprehensive income are to be read in conjunction with the notes to the consolidated financial statements set out on pages 18 to 30.

**PERSONAL INJURY EDUCATION FOUNDATION LIMITED**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2015**  
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	Notes	Group		Company	
		2015	2014	2015	2014
		\$	\$	\$	\$
<b>Current Assets</b>					
Cash and cash equivalents	7	783,644	714,573	505,618	563,333
Receivables	8	178,182	65,930	281,977	29,918
Prepayments		-	49,580	-	38,581
Accrued revenue		-	900	-	-
		<b>961,826</b>	<b>830,983</b>	<b>787,595</b>	<b>631,832</b>
<b>Non-current Assets</b>					
Computer equipment	9	-	-	-	-
Intangibles	10	-	-	-	-
		-	-	-	-
<b>TOTAL ASSETS</b>		<b>961,826</b>	<b>830,983</b>	<b>787,595</b>	<b>631,832</b>
<b>Current Liabilities</b>					
Payables	12	297,442	327,786	252,059	337,230
Unearned revenue		117,724	383,206	37,024	362,201
		<b>415,166</b>	<b>710,992</b>	<b>289,083</b>	<b>699,431</b>
<b>Non-current Liabilities</b>					
		-	-	-	-
<b>TOTAL LIABILITIES</b>		<b>415,166</b>	<b>710,992</b>	<b>289,083</b>	<b>699,431</b>
<b>NET ASSETS (LIABILITIES)</b>		<b>546,660</b>	<b>119,991</b>	<b>498,512</b>	<b>(67,599)</b>
<b>Equity</b>					
Accumulated funds		546,660	119,991	498,512	(67,599)
<b>TOTAL EQUITY</b>		<b>546,660</b>	<b>119,991</b>	<b>498,512</b>	<b>(67,599)</b>

The consolidated statements of financial position are to be read in conjunction with the notes to the consolidated financial statements set out on pages 18 to 30.

**PERSONAL INJURY EDUCATION FOUNDATION LIMITED**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
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**Accumulated Funds**

	<b>Group</b>		<b>Company</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at beginning of the year</b>	<b>119,991</b>	<b>58,580</b>	<b>(67,599)</b>	<b>58,580</b>
Surplus (deficit) for the year	426,669	61,411	566,111	(126,179)
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>426,669</b>	<b>61,411</b>	<b>566,111</b>	<b>(126,179)</b>
<b>Balance at end of the year</b>	<b>546,660</b>	<b>119,991</b>	<b>498,512</b>	<b>(67,599)</b>

The consolidated statements of changes in equity are to be read in conjunction with the notes to the consolidated financial statements set out on pages 18 to 30.

**PERSONAL INJURY EDUCATION FOUNDATION LIMITED**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
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	Notes	Group		Company	
		2015 \$	2014 \$	2015 \$	2014 \$
<b>Cash flows from operating activities</b>					
Membership fees received		834,240	834,130	834,240	834,130
Sponsorship fees received		148,500	74,250	148,500	74,250
Conference fees received		469,547	346,922	469,547	346,922
Education and training fees received		729,326	459,509	277,992	309,229
Other receipts		7,937	267,272	337,387	266,772
Payments to suppliers		(2,162,629)	(1,616,880)	(2,161,368)	(1,616,682)
Interest received		23,063	16,183	16,900	15,525
Goods and services tax refunded (paid)		22,513	24,962	22,513	24,962
<b>Net cash from (used in) operating activities</b>	<b>7</b>	<b>72,497</b>	<b>406,348</b>	<b>(54,289)</b>	<b>255,108</b>
<b>Cash flows from investing activities</b>		-	-	-	-
<b>Cash flows from financing activities</b>		-	-	-	-
<b>Net increase (decrease) in cash and cash equivalents held</b>		<b>72,497</b>	<b>406,348</b>	<b>(54,289)</b>	<b>255,108</b>
Cash and cash equivalents at beginning of the year		714,573	307,263	563,333	307,263
Effects of exchange rate changes on cash held in foreign currencies		(3,426)	962	(3,426)	962
<b>Cash and cash equivalents at end of the year</b>	<b>7</b>	<b>783,644</b>	<b>714,573</b>	<b>505,618</b>	<b>563,333</b>

The consolidated statements of cash flow are to be read in conjunction with the notes to the financial statements set out on pages 18 to 30.

**PERSONAL INJURY EDUCATION FOUNDATION LIMITED**  
**NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**1. Reporting Entity**

The Personal Injury Education Foundation Limited (the Foundation) was established on 24 January 2006 to develop and implement postgraduate qualifications in personal injury.

The Foundation is a separate legal entity and registered as a public company limited by guarantee. It is domiciled in Australia and its registered office is Ground Floor, 222 Exhibition Street, Melbourne, Victoria 3000.

**2. Basis of Preparation**

**(a) Statement of Compliance**

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, which include Interpretations issued by the Australian Accounting Standards Board (AASB). The Group is a not-for-profit entity for the purposes of preparing the financial statements.

The consolidated financial statements were approved by the directors and authorised for issue on 22 September 2015.

**(b) Australian Accounting Standards Issued but not yet Effective**

The AASB has issued the following amendment to Australian Accounting Standards, which is applicable to the Group:

<b>AASB</b>	<b>Title</b>	<b>Operative Date</b>
9	Financial Instruments	1 January 2018

Whilst the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed. The amendment is not effective for the annual reporting period ended 30 June 2015 and has not been applied in preparing the consolidated financial statements. The Group will apply the standard for the annual reporting periods beginning on or after the operative dates set out above.

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**(c) Basis of Measurement**

The consolidated financial statements have been prepared on the historical cost basis except for equipment and financial instruments which are measured at fair value.

**(d) Basis of Consolidation**

The consolidated financial statements incorporate the assets and liabilities of the subsidiary of the Foundation ('Company') as at 30 June 2015 and the results of its subsidiary for the year then ended. The Company and its subsidiary together are referred to in this financial report as the Group.

A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. A subsidiary is fully consolidated from the date on which control is transferred to the Group. It is deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between the Company and the subsidiary are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

**(e) Use of Estimates and Judgments**

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

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

**3. Significant Accounting Policies**

The accounting policies set out below have been applied by the Group in the preparation and presentation of its consolidated financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

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**NOTES TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**(a) Revenue**

Revenue is measured at the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. All revenue is stated net of the amount of applicable goods and services tax (GST).

When the Group considers that the criteria for revenue recognition are not met for a transaction, revenue recognition is delayed until such time as collectability is reasonably assured. Payments received in advance of revenue recognition are recorded as income in advance liabilities.

*Membership revenue*

Members are required to pay annual membership fees, covering the period from 1 July to 30 June of each financial year. Revenue from membership fees is recognised over the annual membership period, membership fees relating to periods subsequent to reporting date are included in liabilities as unearned revenue.

*Conference registrations and sponsorships*

Conference registration revenue is recognised when the related event has taken place. Sponsorship revenue is recognised when the monies are received and the conditions imposed over their use, if any, have been met. Funds received in advance of such conditions being met are deferred and recognised as revenue when the conditions are met.

*Education and training*

Education and training revenues are recognised upon commencement of the related programs.

*Finance Income*

Finance income comprises interest income on funds invested. Interest income is recognised on an accrual basis using the effective interest method.

**(b) Administrative Support Services**

All administrative support services for the Group are provided by WorkSafe Victoria. An administrative support service fee is charged by WorkSafe Victoria to the Group on a quarterly basis as recompense for the services performed.

**(c) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand and deposits at call with banks.

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**(d) Receivables**

Receivables are initially recognised at fair value and subsequently measured less any provision for impairment. Receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment is raised when some doubt as to collection exists. The amount of the impairment loss is recognised as an expense within other expenses. When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

**(e) Equipment**

Equipment is measured initially at historical cost and subsequently at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on a straight-line basis to allocate their cost over their estimated useful lives to the Group. The useful life of the Group's equipment is 3 years (2014: 3 years). The estimated useful lives and depreciation methods are reviewed at the end of each annual reporting period.

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 as per Note 3(g).

Gains and losses on disposals are determined by comparing proceeds from sale with the carrying amount. These are included in the statement of comprehensive income as gain / (loss) on sale.

**(f) Intangible Assets**

Costs incurred in developing systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and / or cost reduction are treated as intangible assets. Costs capitalised include external direct costs of materials and services.

IT development costs include only those costs directly attributable to the development phase and are only recognised where the Group has an intention and ability to use the asset.

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**(f) Intangible Assets (continued)**

Amortisation is allocated to intangible assets with finite useful lives on a systematic basis over the asset's useful life. The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at least at each year end. In addition an assessment is made at each reporting date to determine whether there are indicators that the intangible assets concerned are impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount as per Note 3(g).

The useful life of the Group's intangible assets is 3 years (2014: 3 years).

**(g) Impairment**

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the statement of comprehensive income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

**(h) Payables**

Payables represent the liability outstanding at the end of the financial year for goods and services received by the Group which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

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**(i) Goods and Services Tax**

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Tax Office (ATO) is included as a current asset or liability in the balance sheet.

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

**(j) Capital Management**

The objective of the Group is to safeguard their ability to continue as a going concern, so that they can continue to provide benefits to the community.

**(k) Taxation**

The Foundation and its wholly-owned subsidiary are exempt entities under Division 50 of the *Income Tax Assessment Act 1997*.

**(l) Foreign Currencies**

The financial statements of the Group are presented Australian dollars, which is the currency of the primary economic environment in which the entity operates (functional currency).

All foreign currency transactions are brought to account using the exchange rate in effect at the date of the transaction, or a rate that approximates the actual rate at the date of the transaction. Foreign monetary items existing at the end of the reporting period are translated at the closing rate at the date of the end of the reporting period. Exchange differences on monetary items are recognised in the comprehensive income statement in the period in which they arise.

**(m) Commitments**

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual sources and are disclosed at their nominal value, inclusive of GST.

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**(n) Contingent Assets and Liabilities**

Contingent assets and liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value, inclusive of GST.

**(o) Events after Reporting Date**

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Group and other parties, the transactions are only recognised when the agreement is irrevocable at or before the reporting date. Adjustments are made to amounts recognised in the consolidated financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the reporting date and the date the statements are authorised for issue where the events relate to conditions which arose after the reporting date and which may have a material impact on the results of subsequent periods.

**4. Financial Risk Management**

The Group has exposure to credit, liquidity and market risks arising from the use of financial instruments, and this note provides information about the Group's exposure to each of the above risks, their objectives, and policies and processes for measuring and managing these risks. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board has overall responsibility for the establishment and oversight of the risk management framework.

**(a) Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group, and arises principally from the Group's receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

**(b) Liquidity Risk**

Liquidity risk arises from the Group being unable to meet its financial obligations as they fall due.

The Group manages liquidity risk by maintaining adequate cash balances by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.

**(c) Market Risk**

Market risk is the risk that changes in market prices such as interest rates will affect the Group'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.

*Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk through its holding of cash and cash equivalents.

The Group manages interest rate risk by ensuring cash balances are not excessive to its operating requirements.

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**5 Remuneration of Auditors**

	Group		Company	
	2015 \$	2014 \$	2015 \$	2014 \$
Audit of the Group's annual financial report by RSM Bird Cameron Partners	19,900	19,350	19,900	19,350

**6 Other Expenses**

General insurance	4,665	4,091	4,665	4,091
Meeting expenses	1,077	2,695	1,077	935
Printing	18,735	13,267	15,844	9,269
Depreciation of equipment	-	635	-	635
Amortisation of intangibles	-	6,666	-	6,666
Provision for impairment of receivables	-	1,250	-	1,250
Bank charges	5,600	1,783	4,388	1,492
Other expenses	22,694	7,812	19,820	7,768
	<b>52,771</b>	<b>38,199</b>	<b>45,794</b>	<b>32,106</b>

**7 Cash and Cash Equivalents**

Bank deposits held at call	<b>783,644</b>	<b>714,573</b>	<b>505,618</b>	<b>563,333</b>
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**Reconciliation of surplus (deficit) for the year to net cash from (used in) operating activities**

Surplus (deficit) for the year	426,669	61,411	566,111	(126,179)
Depreciation of equipment	-	635	-	635
Amortisation of intangibles	-	6,666	-	6,666
Provision for impairment on receivables	-	1,250	-	1,250
Net foreign exchange loss (gain)	3,426	(962)	3,426	(962)

**Movements in assets and liabilities:**

(Increase) Decrease in receivables	(112,252)	92,661	(252,059)	128,673
Decrease (Increase) in prepayments	49,580	(49,580)	38,581	(38,581)
Decrease in accrued revenue	900	11,303	-	12,203
(Decrease) Increase in payables	(30,344)	44,507	(85,171)	53,951
(Decrease) Increase in unearned revenue	(265,482)	238,457	(325,177)	217,452
Total adjustments	(354,172)	344,937	(620,400)	381,287
<b>Net cash from (used in) operating activities</b>	<b>72,497</b>	<b>406,348</b>	<b>(54,289)</b>	<b>255,108</b>

**8 Receivables**

Membership, sponsorship and education program fees receivable	156,767	67,180	262,270	31,168
Provision for impairment	-	(1,250)	-	(1,250)
	<b>156,767</b>	<b>65,930</b>	<b>262,270</b>	<b>29,918</b>
GST receivable	21,415	-	19,707	-
	<b>178,182</b>	<b>65,930</b>	<b>281,977</b>	<b>29,918</b>

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**8 Receivables (continued)**

	Group		Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
<b>(a) Movements in provision for impairment:</b>				
Balance at beginning of the year	1,250	-	1,250	-
(Increase) Decrease in provision	(1,250)	1,250	(1,250)	1,250
<b>Balance at end of the year</b>	<b>-</b>	<b>1,250</b>	<b>-</b>	<b>1,250</b>

**(b) Past due but not impaired**

Included within the Group's receivables at the reporting date are \$31,835 (2014: \$23,890) of past due receivables. These relate to a number of independent members for whom there is no recent history of default. The ageing analysis of these receivables are as follows:

Up to 3 months	17,360	23,890	7,185	4,290
3 to 6 months	14,475	-	25	-
	<b>31,835</b>	<b>23,890</b>	<b>7,210</b>	<b>4,290</b>

**(c) Fair value**

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

**(d) Risk exposure**

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivable mentioned above. Refer to Note 4 for more information on the risk management policy of the Group.

**9 Equipment**

**Gross carrying amounts and accumulated depreciation**

Computer equipment	3,812	3,812	3,812	3,812
Accumulated depreciation	(3,812)	(3,812)	(3,812)	(3,812)
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Movements in carrying amounts**

Balance at beginning of the year	-	635	-	635
Depreciation	-	(635)	-	(635)
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**10 Intangibles**

**Gross carrying amounts and accumulated amortisation**

*Computer software*

At cost	20,000	20,000	20,000	20,000
Accumulated amortisation	(20,000)	(20,000)	(20,000)	(20,000)
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Movements in carrying amounts**

Balance at beginning of the year	-	6,666	-	6,666
Addition	-	-	-	-
Amortisation	-	(6,666)	-	(6,666)
<b>Balance at end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**11 Subsidiary**

Details of the Group's subsidiary at the end of the reporting period are as follows.

Name of Subsidiary	Principal Activity	Ownership Interest Held by the Group		Place of Incorporation and Operation
		2015	2014	
PIEF RTO Services Ltd	Registered Training Organisation (RTO) in the development and delivery of vocational trainings in personal injury management	100%	100%	Australia

PIEF RTO Services Ltd is a company limited by guarantee.

The Foundation and PIEF RTO Services Ltd are parties to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the deed, the wholly-owned entity has been relieved from the requirement to prepare a financial report and directors' report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

**12 Payables**

	Group		Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
WorkSafe Victoria - Administrative support services payable	229,145	244,851	229,145	244,851
Other creditors and accruals for supplies and services	68,297	77,321	22,914	87,840
	<b>297,442</b>	<b>322,172</b>	<b>252,059</b>	<b>332,691</b>
GST payable	-	5,614	-	4,539
	<b>297,442</b>	<b>327,786</b>	<b>252,059</b>	<b>337,230</b>

**(a) Fair value**

Due to the short-term nature of these payables, their carrying amount is assumed to approximate their fair value.

**13 Financial Instruments**

Exposure to credit, liquidity and interest rate risks arises in the normal course of the Group's business.

**(a) Credit Risk**

The Group's maximum exposure to credit risk at reporting date in relation to each class of financial assets is the carrying amount of those assets as reported on the statement of financial position.

\$31,835 of the Group's receivables at 30 June 2015 were past due (2014: \$25,140). The Group has not provided for these debts (2014: \$1,250).

**(b) Liquidity Risk**

The Group's contractual payables are due within 1 month (2014: 1 month).

**(c) Interest Rate Risk**

The interest rate profile of the Foundation's interest-bearing financial instrument at reporting date is summarised below.

Variable rate instruments	Group		Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Bank deposits held at call	783,644	714,573	505,618	563,333

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**14 Commitments**

	Group		Company	
	2015	2014	2015	2014
	\$	\$	\$	\$
Amounts payable under non-cancellable other operational contractual agreements:				
Due within one year	-	109,125	-	109,125
	-	<b>109,125</b>	-	<b>109,125</b>

In the prior year, operational contractual agreements related to venue hire for future events.

**15 Contingent Assets and Contingent Liabilities**

The Group has no contingent assets or contingent liabilities at the reporting date (2014: \$nil).

**16 Related Party Disclosures**

**(a) Transactions with Director-related Entities**

The Directors of the Foundation are detailed in the Directors' Report.

The aggregate amounts recognised during the financial year relating to transactions with director-related entities were as follows:

Director (s)	Director-related entity	Type of transaction	Group	
			2015	2014
			\$	\$
Jason Lardelli & Bruce Watson	Comcare	Conference sponsorship revenue	-	7,500
Jason Lardelli & Bruce Watson	Comcare	Award sponsorship revenue	496	-
David Fryar	Employers Mutual Limited	Conference sponsorship revenue	-	15,000
David Fryar	Employers Mutual Limited	Education and training revenue	70,000	-
Jason Hammond	QBE Australia	Conference sponsorship revenue	15,000	-
Paul Smeaton	Suncorp	Conference sponsorship revenue	-	7,500
Bruce Cossett	Transport Accident Commission	Award sponsorship revenue	7,500	10,000
Denise Cosgrove	WorkSafe Victoria	Award sponsorship revenue	1,619	25,000
Michael Francis	WorkCover Corporation of South Australia	Conference sponsorship revenue	-	10,000
Michael Francis	WorkCover Corporation of South Australia	Award sponsorship revenue	462	-
Geniere Aplin & Caroline Walsh	WorkCover NSW	Conference sponsorship revenue	2,181	-
Irene Violet	WorkCover Queensland	Award sponsorship revenue	991	-
Bradley Parker	WorkCover Tasmania	Award sponsorship revenue	132	-

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**(a) Transactions with Director-related Entities (continued)**

Director (s)	Director-related entity	Type of transaction	Group	
			2015	2014
			\$	\$
Michelle Reynolds	WorkCover WA	Award sponsorship revenue	562	-
Diego Ascani	Xchanging	Conference sponsorship revenue	10,000	-
Andrew Fronsco	Adiis Group	Consulting expenditure	(800)	-
Jason Lardelli & Bruce Watson	Comcare	Conference exhibitor expenditure	(1,818)	-
Michelle Reynolds	WorkCover WA	Conference exhibitor expenditure	(2,500)	-
Andrew Fronsco	Territory Insurance Office	Conference sponsorship expenditure	(909)	-
Denise Cosgrove	WorkSafe Victoria	Administrative support services expenditure	(562,450)	(998,836)

In addition, all members of the Foundation pay a standard membership fee which is set annually by the Foundation. The membership fees for the year were \$40,000 for executive members (2014: \$38,000), \$12,000 for Group A non-executive members (2014: \$11,300), \$6,000 for Group B non-executive members (2014: \$5,700) and \$1,200 for Group C non-executive members (2014: \$1,150). Details regarding the various membership levels are published on the Foundation's website (<http://www.pief.com.au>).

Members are entitled to participate in conferences, seminars and other educational courses of the group at discounted prices. During the year, director-related entity members participated in educational events of the Group. In addition employees of the group attended various fee based educational events provided by director-related entities.

There were no loans to or from related parties at the current and previous reporting dates.

Transactions with director-related entities are made on normal commercial terms and conditions and equivalent to those that prevails in an arm's length transaction.

Assets and liabilities arising from the transactions with director-related entities at report date were as follows:

	Director-related entity	Type of transaction	Group	
			2015	2014
			\$	\$
Payables	WorkSafe Victoria	Administrative support services expenditure	(229,145)	(244,851)

**(b) Transactions with Key Management Personnel**

Directorships of the Group are honorary positions. No salaries, compensation or other benefits were paid or are payable to the directors in their capacity as Board members and to other key management personnel.

**PERSONAL INJURY EDUCATION FOUNDATION LIMITED**  
**DIRECTORS' DECLARATION**  
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In the opinion of the directors of the Personal Injury Education Foundation Limited (the Foundation):

- (a) the consolidated financial statements and notes set out on pages 14 to 30, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the Foundation's financial position as at 30 June 2015 and of its performance, for the financial year ended on that date; and
  - (ii) complying with Australian Accounting Standards and other mandatory professional reporting requirements;
  
- (b) there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.

At the date of this declaration, the Foundation is within the class of companies affected by ASIC Class Order 98/1418. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed.

In the opinion of the directors, there are reasonable grounds to believe that the Foundation and its subsidiary to which the ASIC Class Order applies, as detailed in Note 11 to the financial statements will, as a group, be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

Signed in accordance with a resolution of the directors:



**Chris Latham**

Chairman

Dated at Melbourne this 22<sup>th</sup> day of September 2015