

PERSONAL INJURY EDUCATION FOUNDATION LIMITED
ACN 118 018 992

ANNUAL FINANCIAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2016

PERSONAL INJURY EDUCATION FOUNDATION LIMITED
DIRECTORS' REPORT
FOR YEAR ENDED 30 JUNE 2016
ACN 118 018 992

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PERSONAL INJURY EDUCATION FOUNDATION LIMITED
DIRECTORS' REPORT
FOR YEAR ENDED 30 JUNE 2016
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 2016. 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:

Name	Appointment Date	Resignation Date
Greg Tweedly (Chair)	1 October 2016	
Bruce Crossett (Interim Chair from 1 December 2015 to 30 September 2016)	8 August 2012	
Chris Latham (Past Chair)	2 May 2011	30 November 2015
Diego Ascani	10 June 2011	
Andrew Borden	9 May 2016	
Elizabeth Cairns	9 May 2016	
Alex Collie	27 November 2015	
Michael Francis	7 June 2013	
David Fryar	18 October 2013	
Stephen Marshall	23 August 2016	
John McNamara	7 June 2013	
Andrew Nicholls	18 January 2011	
Shane O'Dea	27 November 2015	
Bradley Parker	30 November 2012	
Janine Reid	9 May 2016	
Michelle Reynolds	19 October 2010	
Helen Silver	18 October 2013	
Jane Stafford	27 November 2015	
Grant Speight	10 June 2011	
Bruce Watson	25 November 2014	
Kim Birch	5 June 2015	10 May 2016
Jason Hammond	12 July 2007	30 March 2016
Jennifer Mitchell	6 March 2013	14 April 2016
Paul Smeaton	8 June 2012	31 August 2015
Tony Tenaglia	5 June 2015	14 August 2015
Irene Violet	6 March 2013	25 February 2016
Caroline Walsh	5 June 2015	17 December 2015

2. Company Secretary

Mr. Nathan Clarke was appointed to the position of company secretary on 24 January 2006. He was also the Executive Director of the Foundation, and a director and the Chief Executive Officer of its wholly-owned subsidiary, PIEF RTO Services Limited. He resigned on 20 July 2016. Ms. Amanda Johnston succeeded him as company secretary pending the appointment of a new Executive Director.

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 personal injury industry.

During 2014/15 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 the existing range of PIEF 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.

Strategy 2020 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 2015/16 financial year, the Foundation's principal activity was the continued development, implementation and delivery of education programs and events designed for the personal injury management sector.

During the financial year, the Foundation:

- Delivered, in conjunction with Griffith University, 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 stream
 - Certificate IV in Personal Injury Management - Return to Work stream
 - Certificate III in Personal Injury Management
- Developed and delivered the Workers Compensation Allied Health Practitioner on-line training program for the State Insurance Regulatory Authority (SIRA) Workers Compensation. 1356 students began Part 1 and 2 of the program in 2015/16 with a 2700 target number of participants in Part 1 and 2, and 3000 in Part 3 by March 2017. This program has been designed for allied health practitioners who deliver services to workers compensation clients and bill SIRA. It is a mandatory requirement for those seeking SIRA approval.
- Developed and delivered a series of workshops for the National Disability Insurance Agency and Allied Health Professionals Australia in trial site locations across Australia
- Developed and delivered the ReturnToWorkSA Allied Health Practitioner online training program, designed for allied health practitioners working within the South Australian workers compensation scheme.
- Updated and delivered online training for Victorian GPs on the Health Benefits of Safe Work and Managing Persistent (Chronic) Pain, on behalf of WorkSafe Victoria.
- Delivered of a series of workshops and webinars to the industry on a range of professional development topics
- Introduced a new learning management system (LMS) and online Recognition of Prior Learning (RPL) tool to better manage our service delivery and records management, for RTO activities.
- Commenced a systems project to introduce a new Customer Relationship Management system and Members Portal, accompanied by a new PIEF website (with a view to fully implement by the end of 2016.)

5. Review of Operations

Information on the operations and financial position of the Foundation and its business strategies is set out in section 3 "Objectives and Strategies" of this 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.

10. Information on the Foundation's Directors

The qualifications, experience and special responsibilities of the Foundation's directors during 2015/2016 are as follows:

Name	Qualification and Experience	Special Responsibilities
Bruce Crossett (Interim Chair)	Bruce is the Head of Claims at the Transport Accident Commission. He holds a Masters of Business Leadership with distinction from RMIT University.	Member of Executive sub-committee Board member of PIEF RTO Services Ltd Member of <i>Strategy 2020</i> sub-committee
Chris Latham (Past Chair)	Chris is an actuary who specialises in advice to accident compensation schemes and is a member of the board of ReturntoWorkSA and the Asbestos Injury Compensation Fund. He holds an honours degree in science.	Member of Executive sub -committee

10. Information on the Foundation's Directors (continued)

Diego Ascani	Diego is the Head of Insurance at Xchanging Australia (a CSC Company). He holds a Bachelor of Commerce, Bachelor of Law and a Master of Business Administration. He is an admitted Solicitor. He is also a Graduate of the Australian Institute of Company Directors.	None
Andrew Borden	Andrew has worked in the insurance industry for the past 20 years across claims, rehabilitation, and underwriting and relationship management with extensive experience across Workers Compensation and General Insurance. He has also managed QBE's broker based Insurance business across Victoria and Tasmania. He holds a Bachelor of Occupational Therapy (La Trobe University), Masters in Occupational Health & Safety (UTS) and Masters of Business Administration (AGSM).	None
Elizabeth Cairns	Liz is GM Service Delivery Operations, NDIA. Liz has an undergraduate degree in social work and a Masters in Management. She has worked in social insurance, disability, health and rehabilitation and consulting roles for 26 years in NZ and since 2012 in Australia with organisations such as PwC and NDIA.	None
Alex Collie	Professor Alex Collie is the Chief Executive Officer of the Institute for Safety Compensation and Recovery Research. He has held research leadership roles in academia, government and industry for the past 20 years. He holds the following qualifications BA, BAppSc (Hons), PhD	None
Michael Francis	Michael is the General Insurance Manager at Return to Work SA. He has a diverse cross-section of experience in work injury insurance, risk management and personal injury management. Previous roles have included General Manager Scheme Improvement and Regulation at ReturnToWorkSA, Michael holds the following qualifications <i>MBA (Finance), GCertCorpMgt, BOccThy, BHMS</i>	Member of Strategy 2020 sub-committee Member of PIEF RTO Services board
David Fryar	David is the General Executive New Markets for Employers Mutual Limited. He holds a Bachelor of Economics (Hons) and a Master of Business Administration, and also serves on the boards of not-for-profit organisations within the disability sector in Victoria.	Member of PIEF RTO Services board

10. Information on the Foundation's Directors (continued)

Stephen Marshall	Stephen Marshall is the Executive General Manager, Long Tail Claims at Insurance Australia Group Ltd. He has previously held numerous executive leadership positions within both private and public sector Insurance organisations. Stephen holds a MBA, Graduate Diploma in Business.	None
John McNamara	John is the Executive General Manager – Statutory Workers Compensation, 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	Member of <i>Strategy 2020</i> Sub-committee Member of PIEF RTO Services board
Andrew Nicholls	Andrew is a General Manager of the State Insurance Regulatory Authority. He holds an Executive Master of Public Administration program, an Honours degree in political science and a Master's Degree in public management.	None
Shane O'Dea	Shane O'Dea is the Executive Director of the Insurance Business Unit for WorkSafe Victoria. This area manages return-to-work, service for employers and injured workers, premium, self-insurance and oversees the performance of the scheme through WorkSafe's agents. Shane has served on the board of the Victorian Insurance Institute and the advisory board to the Royal District Nursing Service. Shane holds a Bachelor of Arts (ANU).	Member of PIEF RTO Services board
Bradley Parker	Bradley is the Assistant Director, WorkCover Tasmania. He holds various tertiary qualifications in engineering, health and safety, and public sector management.	Member of <i>Strategy 2020</i> Sub-committee
Janine Reid	Janine Reid is a member of WorkCover Queensland's executive management team as Legal Counsel, providing strategic and legal advice to the board and WorkCover management and overseeing the management of WorkCover's common law claims portfolio and legal panel. Her qualifications include Bachelor of Laws, Masters of Business Administration, Certificate of Corporate Governance and Australian Institute of Company Directors course.	None
Michelle Reynolds	Michelle is the Chief Executive Officer at WorkCover WA. She holds a Bachelor of Arts and a Master of Business Administration	None

10. Information on the Foundation's Directors (continued)

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.	None
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.	Member of <i>Strategy 2020</i> sub-committee Member of PIEF RTO Services board
Jane Stafford	Jane is currently the Executive General Manager, Personal Injury Claims for Suncorp Insurance, including the Suncorp, GIO and AAMI brands. She has 20+ years' experience in financial services, including banking and insurance. Jane holds an Executive Master in Business Administration and a Graduate Certificate in Business Administration (QUT)	None
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.	None
Kim Birch	Kim was 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.	None
Jason Hammond	Jason had 15 years' experience in Workers' Compensation, and was the National Manager at QBE Australia. He holds a Bachelor of Business (Acc) and is a CPA. Prior to joining QBE, Jason held senior Workers Compensation roles in both Victoria and NSW, dealing extensively with Regulators, Brokers, Clients and other key stakeholders.	None
Jennifer Mitchell	Jen was the Head of Workers Compensation, Fee States, CGU. She has a strong background in workers' compensation and financial services and holds a law degree.	Member of <i>Strategy 2020</i> Sub-committee

10. Information on the Foundation's Directors (continued)

Paul Smeaton	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.	None
Tony Tenaglia	Tony was the Director, Operations at the Institute of Safety, Compensation and Recovery Research. Prior to this he has held a number of senior management roles within the personal injury sector.	None
Irene Violet	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.	None
Caroline Walsh	Caroline was the Executive Director, Workers' Compensation Regulation, the State Insurance Regulatory Authority. Caroline has a background in public policy and industrial relations and has qualifications in law and government.	None

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 is as follows:

Name	Number of board meetings held	Number of board meetings eligible to attend	Number of board meetings attended
Bruce Crossett (Interim Chair)	3	3	3
Chris Latham (Past Chair)	3	1	1
Diego Ascani	3	3	3
Andrew Borden	3	1	1
Elizabeth Cairns	3	1	1
Alex Collie	3	3	3
Michael Francis	3	3	3
David Fryar	3	3	3
Stephen Marshall	3	0	0
John McNamara	3	3	2

11. Meetings of Directors (continued)

Andrew Nicholls	3	3	3
Shane O'Dea	3	3	2
Bradley Parker	3	3	3
Janine Reid	3	1	1
Michelle Reynolds	3	3	0
Helen Silver	3	3	1
Jane Stafford	3	3	2
Grant Speight	3	3	3
Bruce Watson	3	3	3
Kim Birch	3	2	1
Jason Hammond	3	2	2
Jennifer Mitchell	3	2	2
Paul Smeaton	3	0	0
Tony Tenaglia	3	0	0
Irene Violet	3	2	0
Caroline Walsh	3	1	0

12. Recognition of Contribution

In November 2015, Chris Latham resigned as Chair of the Foundation after more than 4 years in the role. Nathan Clarke resigned as Executive Director of the foundation in July 2016 after making significant contributions over 10 years. The board wishes to thank Chris and Nathan for their dedicated contributions to the Foundation over a many years.

Bruce Crossett took over the role as Interim Chair in December 2015 until Greg Tweedly's appointment in October 2016. He ensured that the Foundation continued to operate effectively whilst the search for a new Chair and a new Executive Director was underway. The board also wishes to thank Bruce Crossett for his contribution over that time and look forward to his continuing contribution as a non-Executive Director.

13. 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 25 Members as at 30 June 2016, the total amount that they are liable to contribute if the Foundation is wound up is \$625,000.

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14. Non-audit Services

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

15. 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 2016.

This report is made with a resolution of the directors:



Greg Tweedly
Chair

Dated at Melbourne this 11th day of November 2016

PERSONAL INJURY EDUCATION FOUNDATION LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016
ACN 118 018 992

		Group		Company	
	Notes	2016 \$	2015 \$	2016 \$	2015 \$
Revenue					
Membership revenue		785,775	758,400	785,775	758,400
Conference registrations and sponsorships		99,527	852,783	99,527	852,783
Education and training		942,485	714,092	51,181	63,399
Examination and certification revenue		18,817	72,697	18,817	72,697
Interest income from bank deposits		18,525	23,063	7,396	16,900
		1,865,129	2,421,035	962,696	1,764,179
Expenses					
Administrative support services		1,034,245	860,331	430,068	421,562
Agency staff		137,392	178,672	-	63,362
Travel expenses		42,052	32,733	20,158	21,875
Professional services		326,928	284,639	78,472	62,229
Conference expenses		150,031	585,220	150,031	583,246
Other expenses	6	113,659	52,771	62,569	45,794
		1,804,307	1,994,366	741,298	1,198,068
Surplus for the year before income tax		60,822	426,669	221,398	566,111
Income tax expense		-	-	-	-
Surplus for the year		60,822	426,669	221,398	566,111
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		60,822	426,669	221,398	566,111

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 2016
ACN 118 018 992

		Group		Company	
	Notes	2016 \$	2015 \$	2016 \$	2015 \$
Current Assets					
Cash and cash equivalents	7	785,596	783,644	225,592	505,618
Receivables	8	148,427	178,182	756,242	281,977
Prepayments		44,410	-	44,410	-
		978,433	961,826	1,026,244	787,595
Non-current Assets					
Computer equipment	9	-	-	-	-
Intangibles	10	-	-	-	-
		-	-	-	-
TOTAL ASSETS		978,433	961,826	1,026,244	787,595
Current Liabilities					
Payables	12	364,826	297,442	300,209	252,059
Unearned revenue		6,125	117,724	6,125	37,024
		370,951	415,166	306,334	289,083
Non-current Liabilities					
		-	-	-	-
TOTAL LIABILITIES		370,951	415,166	306,334	289,083
NET ASSETS (LIABILITIES)		607,482	546,660	719,910	498,512
Equity					
Accumulated funds		607,482	546,660	719,910	498,512
TOTAL EQUITY		607,482	546,660	719,910	498,512

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
FOR THE YEAR ENDED 30 JUNE 2016
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Accumulated Funds

	Group		Company	
	2016	2015	2016	2015
	\$	\$	\$	\$
Balance at beginning of the year	546,660	119,991	498,512	(67,599)
Surplus for the year	60,822	426,669	221,398	566,111
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	60,822	426,669	221,398	566,111
Balance at end of the year	607,482	546,660	719,910	498,512

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
FOR THE YEAR ENDED 30 JUNE 2016
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		Group		Company	
	Notes	2016 \$	2015 \$	2016 \$	2015 \$
Cash flows from operating activities					
Membership fees received		826,210	834,240	826,210	834,240
Sponsorship fees received		11,000	148,500	11,000	148,500
Conference fees received		99,465	469,547	99,465	469,547
Education and training fees received		902,246	729,326	128,469	277,992
Other receipts		3,778	7,937	503,185	337,387
Payments to suppliers		(1,897,547)	(2,162,629)	(1,893,959)	(2,161,368)
Interest received		18,525	23,063	7,396	16,900
Goods and services tax refunded (paid)		38,275	22,513	38,208	22,513
Net cash from (used in) operating activities	7	1,952	72,497	(280,026)	(54,289)
Cash flows from investing activities		-	-	-	-
Cash flows from financing activities		-	-	-	-
Net increase (decrease) in cash and cash equivalents held		1,952	72,497	(280,026)	(54,289)
Cash and cash equivalents at beginning of the year		783,644	714,573	505,618	563,333
Effects of exchange rate changes on cash held in foreign currencies		-	(3,426)	-	(3,426)
Cash and cash equivalents at end of the year	7	785,596	783,644	225,592	505,618

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
FOR THE YEAR ENDED 30 JUNE 2016
ACN 118 018 992

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 Australian Charities and Not-for-Profits Commission Act 2012 and the Corporations Act 2001.. 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 11 November 2016. The directors have the power to amend and reissue the financial statements.

(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:

AASB	Title	Operative Date
2015-6	Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, AASB 124 & AASB 1049]	1 July 2016
9	Financial Instruments	1 January 2018
2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2018
15	Revenue from Contracts with Customers	1 January 2018

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

AASB 2015-6 extends the scope of AASB 124 Related Party Disclosures to not-for-profit public sector entities and includes application guidance for the entities. The key changes introduced by AASB 9 and AASB 2010-7 relate to the requirements for the classification and measurement of financial instruments. While the preliminary assessment has not identified any material impact arising from the adoption of AASB 124, AASB 9 and AASB 2010-7, these standards will continue to be monitored and assessed.

The core principle of AASB 15 requires an entity to recognise revenue when it satisfies a performance obligation by transferring a promised good or service to a customer. The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements.

(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 2016 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.

(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.

(a) Revenue (continued)

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.

(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.

(e) Equipment (continued)

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 (2015: 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.

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).

(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.

(g) Impairment (continued)

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.

(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.

(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	
	2016	2015	2016	2015
	\$	\$	\$	\$
Audit of the Group's annual financial report by RSM Australia Partners	19,900	19,900	15,000	19,900

6 Other Expenses

General insurance	3,819	4,665	3,819	4,665
Meeting expenses	922	1,077	756	1,077
Printing	42,925	18,735	10,126	15,844
Depreciation of equipment	-	-	-	-
Amortisation of intangibles	-	-	-	-
Provision for impairment of receivables	52,278	-	41,378	-
Bank charges	3,715	5,600	330	4,388
Other expenses	10,000	22,694	6,160	19,820
	113,659	52,771	62,569	45,794

7 Cash and Cash Equivalents

Bank deposits held at call	785,596	783,644	225,592	505,618
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Reconciliation of surplus (deficit) for the year to net cash from (used in) operating activities

Surplus for the year	60,822	426,669	221,398	566,111
Provision for impairment on receivables	52,278	-	41,378	-
Net foreign exchange loss	-	3,426	-	3,426
Movements in assets and liabilities:				
(Increase) Decrease in receivables	(22,523)	(112,252)	(515,643)	(252,059)
(Increase) Decrease in prepayments	(44,410)	49,580	(44,410)	38,581
Decrease in accrued revenue	-	900	-	-
Increase (Decrease) in payables	67,384	(30,344)	48,150	(85,171)
(Decrease) Increase in unearned revenue	(111,599)	(265,482)	(30,899)	(325,177)
Total adjustments	(58,870)	(354,172)	(501,424)	(620,400)
Net cash from (used in) operating activities	1,952	72,497	(280,026)	(54,289)

8 Receivables

Membership, sponsorship and education program fees receivable	168,334	156,767	773,346	262,270
Provision for impairment	(52,278)	-	(41,378)	-
	116,056	156,767	731,968	262,270
GST receivable	32,371	21,415	24,274	19,707
	148,427	178,182	756,242	281,977

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8 Receivables (continued)

	Group		Company	
	2016	2015	2016	2015
	\$	\$	\$	\$
(a) Movements in provision for impairment:				
Balance at beginning of the year	-	1,250	-	1,250
Increase (Decrease) in provision	52,278	(1,250)	41,378	(1,250)
Balance at end of the year	52,278	-	41,378	-

(b) Past due but not impaired

Included within the Group's receivables at the reporting date are \$139,969 (2015: \$31,835) 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	53,049	17,360	9,340	7,185
3 to 6 months	37,790	14,475	1,935	25
6 to 12 months	49,130	-	45,080	-
	139,969	31,835	56,355	7,210

(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)
Balance at end of the year	-	-	-	-

10 Intangibles

Gross carrying amounts and accumulated amortisation

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

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11 Subsidiaries

Details of the Group's subsidiaries 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
		2016	2015	
PIEF RTO Services Ltd	Registered Training Organisation (RTO) in the development and delivery of vocational trainings in personal injury management	100%	100%	Australia
Injury & Disability Management Institute of NSW Ltd	Not yet commenced operation	100%	-	Australia

The subsidiaries are companies 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	
	2016	2015	2016	2015
	\$	\$	\$	\$
WorkSafe Victoria - Administrative support services payable	259,505	229,145	259,505	229,145
Other creditors and accruals for supplies and services	105,321	68,297	40,704	22,914
	364,826	297,442	300,209	252,059
GST payable				
	364,826	297,442	300,209	252,059

(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.

\$139,969 of the Group's receivables at 30 June 2016 were past due (2015: \$31,835). The Group has provided for these debts \$52,278 (2015: \$0).

(b) Liquidity Risk

The Group's contractual payables are due within 1 month (2015: 1 month).

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13 Financial Instruments (continued)

(c) Interest Rate Risk

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

	Group		Group	
	2016	2015	2016	2015
	\$	\$	\$	\$
Variable rate Instruments				
Bank deposits	785,596	783,644	225,592	505,618

14 Commitments

The Foundation had no commitments at the reporting date (2015: \$nil).

15 Contingent Assets and Contingent Liabilities

The Group had no contingent assets or contingent liabilities at the reporting date (2015: \$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	Director-related entity	Type of transaction	Group	
			2016	2015
			\$	\$
Jason Lardelli & Bruce Watson	Comcare	Award sponsorship revenue	-	496
David Fryar	Employers Mutual Limited	Education and training revenue	-	70,000
David Fryar	Employers Mutual Limited	Conference sponsorship revenue	15,000	-
Jason Hammond	QBE Australia	Conference sponsorship revenue	-	15,000
Bruce Cossett	Transport Accident Commission	Award sponsorship revenue	-	7,500
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

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

Bradley Parker	WorkCover Tasmania	Award sponsorship revenue	-	132
Michelle Reynolds	WorkCover WA	Award sponsorship revenue	-	562
Diego Ascani	Xchanging	Conference sponsorship revenue	-	10,000
Jason Lardelli & Bruce Watson	Comcare	Conference exhibitor expenditure	-	(1,818)
Michelle Reynolds	WorkCover WA	Conference exhibitor expenditure	-	(2,500)
Shane O'Dea	WorkSafe Victoria	Administrative support services expenditure	(678,928)	-

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 \$40,800 for executive members (2015: \$40,000), \$12,250 for Group A non-executive members (2015: \$12,000), \$6,100 for Group B non-executive members (2015: \$6,000) and \$1,225 for Group C non-executive members (2015: \$1,200). 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	
			2016	2015
			\$	\$
Payables	WorkSafe Victoria	Administrative support services expenditure	(259,505)	(229,145)

(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
FOR THE YEAR ENDED 30 JUNE 2016
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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 2016 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:



Greg Tweedly

Chair

Dated at Melbourne this 11th day of November 2016